

Kassidy J. Wallin (14360)
Steven F. Alder (0033)
Assistant Attorneys General
JOHN E. SWALLOW, No. 5802
UTAH ATTORNEY GENERAL
1594 West North Temple, Suite 300
Salt Lake City, Utah 84116
Telephone: (801) 538-7227
Attorneys for the Division of Oil, Gas and Mining

FILED

OCT 15 2013

SECRETARY, BOARD OF
OIL, GAS & MINING

**BEFORE THE BOARD OF OIL, GAS AND MINING
DEPARTMENT OF NATURAL RESOURCES
STATE OF UTAH**

In the Matter of the Petition by the
Division of Oil, Gas and Mining for an
Order:

- (1) Withdrawing Bryce H. Haas's
Notice of Intention to Commence
Small Mining Operations at the
B&H Quarry, S/039/0020, located
in portions of the east half of
Section 5, Township 20 South,
Range 2 East, SLBM, Sanpete
County, Utah;
- (2) Forfeiting Bryce H. Haas's surety
for the B&H Quarry;
- (3) Authorizing the Division to
complete reclamation at the B&H
Quarry; and
- (4) Granting such further relief as the
Board may deem just and
reasonable under the circumstances.

PETITIONER'S EXHIBITS

Docket No.: 2013-038

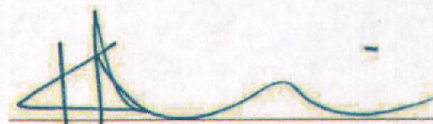
Cause No.: S/039/0020

Pursuant to Utah Admin. Code Rule R641-105-500, Petitioner Utah Division of Oil, Gas & Mining ("Division"), by and through its counsel of record, the Utah Attorney General's Office, hereby respectfully submits the following exhibits intended to be offered into evidence in support of its Notice of Agency Action ("NOAA") at the December 4, 2013 hearing on this cause:

- EXHIBIT "A"** - Notice of Intention to Commence Small Mining Operations, S/039/0020 (Received September 11, 2007) (9 pages) ("**2007 NOI**")
- EXHIBIT "B"** - Letter from the Division to Mr. Haas explaining deficiencies in 2007 NOI (Sent January 18, 2008) (2 pages)
- EXHIBIT "C"** - Letter from the Division to Mr. Haas requesting reclamation or reclamation surety by March 31, 2010 (Sent December 21, 2009) (2 pages)
- EXHIBIT "D"** - Return envelope for December 21, 2009 letter (Received January 17, 2010) (1 page)
- EXHIBIT "E"** - Citation for Non-Compliance, No. MC-2010-61-01 (Issued May 3, 2010) (2 pages) ("**2010 CO**")
- EXHIBIT "F"** - May 17, 2010 written decision of Dana Dean, Hearing Officer, for Stop Work Conference held on May 12, 2010 (3 pages) ("**Stop Work Order**")
- EXHIBIT "G"** - Notice of Intention to Commence Small Mining Operations, S/039/0020 (Received June 2, 2010) (8 pages) ("**2010 NOI**")
- EXHIBIT "H"** - Small Mine Reclamation Contract (Received June 2, 2010) (10 pages)
- EXHIBIT "I"** - Letter from Utah State Treasurer's Office to Zion's First National Bank instructing Trust Administrator to deposit the \$10,000.00 check into Account No. 8912020 (Dated June 8, 2010) (1 page)
- EXHIBIT "J"** - Permit to Commence Small Mining Operations, Bryce Haas, B&H Quarry, S/039/0020, Sanpete County, Utah (Sent June 29, 2010) (3 pages)
- EXHIBIT "K"** - Citation for Non-Compliance, No. MC-2011-65-01 (Issued April 14, 2011) (1 page) ("**2011 FTACO**")
- EXHIBIT "L"** - Proposed Assessment for 2010 CO (Sent April 14, 2011) (4 pages)

- EXHIBIT "M"** - Notice of Chapter 7 Bankruptcy Case, Meeting of Creditors, & Deadlines (Received August 15, 2011) (2 pages)
- EXHIBIT "N"** - United States Bankruptcy Court, Discharge of Debtor(s) (Received December 1, 2011) (2 pages)

Dated this 15 day of October 2013.

A handwritten signature in blue ink, appearing to read "Cassidy J. Wallin", is written over a horizontal line.

Kassidy J. Wallin (14360)
Steven F. Alder (0033)
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JOHN E. SWALLOW, No. 5802
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1594 West North Temple, Suite 300
Salt Lake City, Utah 84116
Telephone: (801) 538-7227
Attorneys for the Division of Oil, Gas and Mining

CERTIFICATE OF MAILING

I hereby certify that I caused a true and correct copy of the foregoing Petitioner's Exhibits to be personally served, mailed first class mail postage prepaid, or electronically mailed the 28th day of October 2013, to:

BRYCE HAAS

91 South 100 East
Mayfield, Utah 84643

BILL CHRISTIANSEN

P.O. Box 82
Mayfield, Utah 84643

MIKE JOHNSON

Assistant Attorney General
Department Of Natural Resources
Board of Oil, Gas & Mining
1594 West North Temple, Suite #300
Salt Lake City, Utah 84114

OFFICE OF THE STATE TREASURER

ATTN: Coleen Hackwell
E315 State Capitol Complex
P.O. Box 142315
Salt Lake City, Utah 84114-2315

ZION'S FIRST NATIONAL BANK

ATTN: Raelynn Daniels
One South Main Street
Salt Lake City, Utah 84133

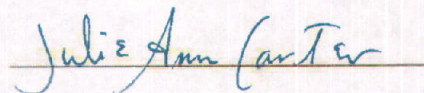


EXHIBIT A

This Section for DOGM Use:
Assigned DOGM File No: S 0390020
DOGM Lead: Lynn Kinzler
Permit Fee \$ 150.00 Ck # 4279

Task ID# 2005

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1594 West North Temple Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
Telephone: (801) 538-5291 Fax: (801) 359-3940

NOTICE OF INTENTION TO COMMENCE SMALL MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1987, and the General Rules as promulgated under the Utah Minerals Regulatory Program.

"Small Mining Operations" mining operations which have a disturbed area of five or less surface acres at any time.

I. GENERAL INFORMATION (Rule R647-3-104)

1. Name of Mine: Mayfield Quarry
2. Legal name of entity (or individual) for whom the permit is being requested: Bryce Haas
Mailing Address: P.O. Box 209
City, State, Zip: Gunnison, UT 84103
Phone: (435) 528-5342 Fax: (435) 528-5522
E-mail Address: _____

Type of Business: Corporation () LLC () Sole Proprietorship (dba) ☒
Partnership () General _____ or _____ limited
Or:
Individual ()

Entity must be registered (and maintain registration) with the State of Utah, Division of Corporations (DOC) www.commerce.utah.gov.

Are you currently registered to do business in the State of Utah? ☐ Yes ☐ No

Entity # _____

If no, contact www.commerce.utah.gov to renew or apply.

Local Business License # 1528 (if required)

Issued by: County Sanpete or City _____

RECEIVED

SEP 11 2007

DIV. OF OIL, GAS & MINING

3. **Contact Person(s)**
Name: Bryce H. Haas Title: President
Address: P.O. Box 289
City, State, Zip: Gunnison, UT 84634
Phone: (435) 528-5342 Fax: (435) 528-5522
Emergency, Weekend, or Holiday Phone: (801) 367-0066
E-mail Address: _____

Contact person to be notified for: permitting ☒ surety ☒ Notices ☒ (please check all that apply)

Name: Bryce H. Haas Title: President
Address: P.O. Box 289
City, State, Zip: Gunnison, UT 84634
Phone: (435) 528-5342 Fax: (435) 528-5522
Emergency, Weekend, or Holiday Phone: (801) 367-0066
E-mail Address: _____

Contact person to be notified for: permitting () surety () Notices () (please check all that apply)

Registered Utah Agent (as identified with the Utah Department of Commerce) (if individual leave blank):

Name: _____
Address: _____
City, State, Zip: _____
Phone: _____ Fax: _____
E-mail Address: _____

4. **If Business is a Sole Proprietor:**

Sole Proprietor:
Name of Owner: Bryce H. Haas Title: President
Business Address: P.O. Box 289
City, State, Zip: Gunnison, UT 84634
Phone: (435) 528-5342 Fax: (435) 528-5522
E-mail Address: _____

If Business is a Corporation:

Name of Officers: _____ Title: _____
_____ Title: _____
_____ Title: _____
_____ Title: _____
Headquarters Address: _____
City, State, Zip: _____
Headquarters Phone: _____ Fax: _____
E-mail Address: _____

If Business is a Limited Liability Company: Member Managed ☐ Manager Managed ☐

Name of 1st Member/Manager: _____ Title: _____
Business Address: _____
City, State, Zip: _____
Phone: _____ Fax: _____
E-mail Address: _____

Name of 2nd Member/Manager: Carrie L. Haas
Business Address: P.O. Box 289
City, State, Zip: Gunnison, UT. 84634
Phone: (435) 528-5542 Fax: (435) 528-5522
E-mail Address: _____

If Business is a Partnership:

Name of Partner: _____
Business Address: _____
City, State, Zip: _____
Phone: _____ Fax: _____
E-mail Address: _____

5. Ownership of Land Surface:

Private (Fee) ☒ Public Domain (BLM) ☐ National Forest (USFS) ☐
State Trust Land/School Sections ☐ State Sovereign Lands ☐

Other (please describe): _____

Name Bill & Charlette Address P.O. Box 82 Mayfield, UT. 84643
Name Christiansen Address _____
Name _____ Address _____
Name _____ Address _____

6. Ownership of Minerals:

Private (Fee) ☒ Public Domain (BLM) ☐ National Forest (USFS) ☐
State Trust Land/School Sections ☐ State Sovereign Lands ☐

Other (please describe): _____

Name Bill & Charlette Address P.O. Box 82 Mayfield, UT. 84643
Name Christiansen Address _____
Name _____ Address _____
Name _____ Address _____

BLM Lease or Project File Number(s) and/or USFS assigned Project Number(s): _____

Exploration Permit # E/039/008

BLM Claim Numbers _____

Utah State Lease Number(s): _____

Name of Lessee(s) Bill Christiansen

7. Have the above surface and mineral owners been notified in writing?

Yes ☒ No ☐

If no, why not? _____

Please be advised that if State Trust Lands are involved, notification to the Division of Oil, Gas and Mining alone does not satisfy the notification requirements of Mineral Leases upon State Trust Lands. Exploration or mining activity on State Trust Lands requires a minimum of 60 days notice to the Trust Lands Administration prior to commencing any activities. Please contact the School Institutional Trust Lands Administration (SITLA) at (801) 538-5508 for notification requirements.

8. Does the Entity have legal right to enter and conduct mining operations on the land covered by this notice? Yes ☒ No ☐

II. **PROJECT LOCATION & MAP** (Rule R647-3-105)

1. **Project Location** (legal description):

County(ies): Mayfield Quarry
 ___ 1/4, of ___ 1/4, of ___ 1/4: Section: 32 Township: 19 Range: 2 East
 ___ 1/4, of ___ 1/4, of ___ 1/4: Section: ___ Township: ___ Range: ___
 ___ 1/4, of ___ 1/4, of ___ 1/4: Section: ___ Township: ___ Range: ___

UTM East _____ (if known) UTM North _____ (if known)

Name of Quad Map for Location: See Attached Mayfield Quad

2. **Location and Operations maps** must be plotted at a scale to accurately identify locational landmarks and operations details. All maps must include a north arrow, a scale, appropriate labels, title box including the mine name, township, range and section.
 a. **Map 1: The general location map** must be the scale of a USGS 7.5 minute series map or equivalent (1"=2000') and identify new or existing access roads.
 b. **Map 2: The operations map** (1"=200' or other scale as determined necessary by the Division) must be labeled and identify:
 i. The area to be disturbed;
 ii. The location of any existing or proposed operations including access roads, drill holes, trenches, pits, shafts, cuts, or other planned activities; and
 iii. Any adjacent previous disturbance for which the operator is not responsible.
 (Contact the Division for a list of consultants and land surveyors for mapping assistance.)
3. The proposed (5 acre or less) disturbed area (including access/haul roads) should be marked ON THE GROUND with metal T-Posts (or with some other marker of equal effectiveness). Markers should be appropriately spaced (<50 feet) so that the next marker in either direction is clearly visible with the naked eye.

III. **OPERATION PLAN** (Rule R647-3-106)

1. **Type of mining:** Surface ☒ Underground ☐
 2. **Mineral(s) to be mined:** Limestone
 3. **Amount of material to be extracted, moved or proposed to be moved:** Several thousand tons

4. Will any water, liquid chemicals, reagents, or other solutions be used, produced or discharged as part of the mining or milling process?
Yes ☐ No ☒ If yes, please describe (add extra pages if needed) _____
5. Provide a brief description of the proposed mining operation and onsite processing facilities (add extra pages if necessary). Were manually removing Hillside with Loader & Escavator.
6. ☐ New Road(s): Length 1000 (ft) Width 20 (ft)
7. ☐ Improved Road(s): Provide a description of the improvements that need to be made to existing roads to access the site, including the Length _____ (ft) and Width _____ (ft) of improvements.
8. Total project surface acreage to be disturbed: 5 (acres) PLEASE SPECIFY EXACT ACREAGE - (this will be used to determine surety bond amount - see #V7).
9. Proposed startup date of project (month, year) March, 2005
10. Proposed completion date of project, if known (month, year) _____

IV. OPERATION AND RECLAMATION PRACTICES (Rule R647-3-107, 108 & 109)

The reclamation and operation obligation is to keep the area clean and safe, minimize hazards to public safety, return the land to a useful condition, and reestablish at least 70 percent of the premining vegetative ground cover. To accomplish this, the Permittee / Operator will need to perform reclamation concurrently, or at the completion (within one (1) year) of mining. Please refer to The Practical Guide to Reclamation in Utah, available at www.ogm.utah.gov.

1. Keep the mining operation in a safe, clean, and environmentally stable condition.
2. Permanently seal all shafts and tunnels to prevent unauthorized or accidental entry.
3. Plug drill holes with a five foot cement surface plug. Holes that encounter fluids are to be plugged in the subsurface to prevent aquifer contamination.
4. Construct berms, fences, or barriers, when needed, above highwalls and excavations.
5. Remove, isolate, or neutralize all toxic materials in a manner compatible with federal and state regulations.
6. Remove all waste or debris from stream channels.
7. Dispose of any trash, scrap metal, wood, machinery, and buildings.
8. Conduct mining activities so as to minimize erosion and control sediment.
9. Reclaim all roads that are not part of a permanent transportation system.

10. Stockpile topsoil and suitable overburden prior to mining.
11. Stabilize highwalls by backfilling or rounding to 45 degrees or less, where feasible; reshape the land to near its original contour, and redistribute the topsoil and suitable overburden.
12. Properly prepare seedbed to a depth of six inches by pocking, ripping, discing, or harrowing. Leave the surface rough.
13. Reseed disturbed areas with adaptable species. (The Division recommends a mixture of species of grass, forb, and browse seed, and will provide a specific species list if requested.)
14. Plant the seed with a rangeland or farm drill, or broadcast the seed. Fall is the preferred time to seed.

V. VARIANCE REQUEST (Rule R647-3-110)

Any variance request must be approved in writing by the Division

Yes ☒ No ☐

Any planned deviations from Rules R647-3-107, Operation Practices, R647-3-108, Hole Plugging Requirements, or R647-3-109, Reclamation Practices, as summarized above (see IV. **Operation and Reclamation Practices** Item # 1-14), should be identified below listing applicable rule number. Give justification for the variance(s) and alternate methods or measure to be utilized. A variance shall be granted if the alternative method or measure proposed will be consistent with the Act.

1st Variance Requested

Item #

Applicable Rule # (i.e. R647-3-109.10 (if you did not want trenches & pits reclaimed))

Justification: Land Owner wants roads flat surface above and small
 Alternate methods or measure to be utilized: 30x30 shed left existing for his
farming and ranching business.

2nd Variance Requested

Item #

Applicable Rule #

Justification: Bonding we will be through reclaiming our fayette
 Alternate methods or measure to be utilized: Quarry within 100 acres and would
like to use the same surety there on this location.

3rd Variance Requested

Item #

Applicable Rule #

Justification: _____
 Alternate methods or measure to be utilized: _____

Attach additional page if more variances are requested.

VI. SURETY (Act 40-8-7(1)(c))

A reclamation contract and surety must be provided to and approved by the Division prior to commencement of operations.

The Utah Mined Land Reclamation Act (40-8-7 (1)(c) and 40-8-14 provides the authority that all mining operations furnish and maintain reasonable surety to guarantee that the land affected is reclaimed.

The surety amount is based on the nature, extent and duration of operations. *The surety amounts are based on data from current large mine surety and are used as a general guide, along with actual site conditions.*

Surety for small mines sites will be escalated three (3) years to the future. Contact the Division for dollar amount required for this project.

I will provide surety in the form of a: Certificate of Deposit, Letter of Credit, Surety Bond, Cash (certified funds), or Division Approved form.

VII. PERMIT FEE [Mined Land Reclamation Act 40-8-7(1)(i)]

The Utah Mined Land Reclamation Act of 1975 [40-8-7(1)(i)] provides the authority for the assessment of permitting fees. Commencing with the 1998 fiscal year (July 1 - June 30), permit fees are assessed to new and existing notices of intention, and annually thereafter, until the project disturbances are successfully reclaimed by the Permittee / Operator and released by the Division.

Small Mine Notices require a \$150.00 fee which must accompany this application or it cannot be processed by the Division.

VIII. SIGNATURE REQUIREMENT

(Please check the box if applicable and place your initials on the line provided)

BH ☒

I have enclosed the required permit fee.

☐

I understand that I am not authorized to create any surface disturbance until the surety amount is posted and approved in writing from the Division of Oil, Gas and Mining and any other authorized regulatory agency.

CERTIFICATION

I state under penalty of perjury under the laws of the state of Utah and the United States of America that:

- a. I have read this form and declare the information, statements and/or documentation are true, correct and complete to the best of my knowledge and belief; AND
- b. I commit to the reclamation of the aforementioned small mining project as required by the Utah Mined Land Reclamation Act (40-8) and the rules as specified by the Board of Oil, Gas and Mining.
- c. **This certification must be executed by an executive officer if the applicant is a corporation; by a partner if applicant is a partnership (general or limited); owner if applicant is a sole proprietorship; member or manager if applicant is a limited liability company.**

Signature: _____

Bryce H. Haas

Date: _____

9-3-07

Name (typed or printed): _____

Bryce H. Haas

Title/Position (if applicable): _____

President

P:\GROUPS\MINERALS\WP\FORMS\notices\Final\smo-02152007.doc

September 3, 2007

To: Division of Oil Gas and Mining

I am a farmer in the Mayfield and surrounding areas. I own several parcels of ground that we grow alfalfa yearly and are needing places to store our alfalfa and farm equipment such as: tractors, bailers, swathers, levelers, and various irrigation equipment. I would like to have all access roads, entrance roads, the flat level spot about one thousand feet from entrance of the stone quarry and the 30x30 tin building left. I do not want these areas reclaimed. I have spoke to Lynn Kunzler about these items in previous meetings on the mine site.

Sincerely,

A handwritten signature in blue ink that reads "Bill Christiansen". The signature is written in a cursive, flowing style.

Bill Christiansen

SCHEDULE C
Description

The land referred to in this report is situated in the County of Sanpete, State of UT, and is described as follows:

Parcel 1: Plat "A" outside Mayfield Townsite. Beginning at the Southeast corner of the Southeast quarter of Section 32, Township 19 South, Range 2 East of the Salt Lake Base and Meridian, thence West 24.00 chains, thence North 5°30' East 10.20 chains, thence North 30° East 3.64 chains, thence south 23° East 5.50 chains, thence Southeast along ditch to a point 6.95 chains North of the point of beginning, thence South 6.95 chains, more or less, to the point of beginning. (7564)

Parcel 2: The Northwest quarter of the Northeast quarter of the Southeast quarter; The West half of the Southeast quarter of the Northeast quarter of Section 5, Township 20 South, Range 2 East of the Salt Lake Base and Meridian;

Also, beginning at the Northeast corner of the Northwest quarter of the Southeast quarter of Section 5, Township 20 South, Range 2 East of the Salt Lake Base and Meridian, thence, South 10.00 chains, thence West 18.21 chains, thence North 14°15' East 10.36 chains, thence East 15.60 chains, more or less, to the point of beginning;

Also beginning at the Northeast corner of Section 5, Township 20 South, Range 2 East of the Salt Lake base and Meridian, thence west 14.20 chains, thence South 38°30' West 9.33 chains, thence South 12.70 chains, thence East 20.00 chains, thence North 20.00 chains, more or less, to the point of beginning. (11155)

Parcel 3: Beginning at a point 4.60 chains East of the center of Section 5, Township 20 South, Range 2 East of the Salt Lake Base and Meridian; thence North 15°45' East 5.60 chains, thence South 74° East 8.98 chains, thence north 3°25' East 16.14 chains, thence South 56° East 5.42 chains, thence South 16.00 chains, thence West 15.60 chains, more or less, to the point of beginning.

Beginning at a point 9.72 chains North of the Center of Section 5, Township 20 South, Range 2 East of the Salt Lake Base and Meridian, thence South 74° East 5.60 chains, thence North 15°45' East 10.00 chains, thence North 74° West 8.46 chains, thence South 10.50 chains, more or less, to the point of beginning.

Beginning at the Northeast corner of the Southeast quarter of the northwest quarter of Section 5, Township 20 South, Range 2 East of the Salt Lake Base and Meridian, thence West 1.85 chains, thence South 15° West 9.70 chains, thence South 74° East 4.75 chains, thence North 11.00 chains, more or less, to the point of beginning.

Beginning at a point 1.75 chains East and south 9° West 14.19 chains from the Northwest corner of the Northeast quarter of Section 5, township 20 South, Range 2 East of the Salt Lake Meridian, thence South 75°30' East 10.45 chains, thence South 15°45' West 7.08 chains, thence North 74° West 10.25 chains, thence North 14°15' East 5.00 chains, thence North 9° East 1.55 chains, more or less, to the point of beginning. (11119X1 and 11119X)

Said property is also known by the street address of:
South Sanpete County Land, Mayfield, UT 84643

EXHIBIT B



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah
DEPARTMENT OF NATURAL RESOURCES
Division of Oil, Gas & Mining

MICHAEL R. STYLER
Executive Director

JOHN R. BAZA
Division Director

January 18, 2008

Bryce Haas
P.O. Box 289
Gunnison, UT 84634

Subject: Deficient Notice of Intention to Commence Small Mining Operations, Bryce Haas, Mayfield Quarry, S/039/0020 and E/039/0008, Task #2005, Sanpete County, Utah

Dear Mr. Haas:

Your Notice of Intent to Commence Small Mining Operations (NOI), for the Mayfield Quarry is incomplete. The following information is required:

- **R647-3-104.1:**
 - The Notice identifies the operator as a 'Sole Proprietorship', yet the name 'Bryce Haas' has not been registered with the Dept. of Commerce. 'Central Utah Stone', the name on the check submitted for the permit fee is registered. To correct your Notice, you will need to either file as an individual, register the name 'Bryce Haas' as a sole proprietorship, or indicate the operator as 'Central Utah Stone'.
- **R647-3-105:**
 - Your Notice incorrectly identifies the location for this operation as being located in Section 32, of Township 19 South, Range 2 East. The correct location is: portions of the South 1/2 of the South 1/2 of the Northeast 1/4 of Section 5, Township 20 South, Range 2 East, SLBM. Please make this correction.
- Please provide a general location map (i.e. USGS topo map) that identifies the location of the mine as well as access road(s).
- Please provide an operations map (scale of 1 inch = 200 feet, or larger) that identifies the area to be disturbed, access road, pads, facilities, highwalls, pits or quarry areas, waste dumps, topsoil stockpiles, etc.
- **R647-3-110:**
 - The Notice indicates that two variances have been requested for this operation. Before the Division can consider this request, additional information is required. If you still

desire these variances, please provide the specific rule(s) for which each variance is requested, identify on a map the areas for which the variance is being requested, provide justification for why the variance should be granted, and provide alternative methods or measures that will be utilized to demonstrate how it will be consistent with the Mined Land Reclamation Act.

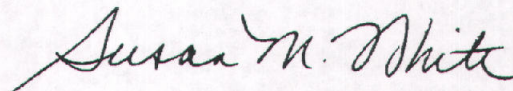
With regards to leaving certain facilities and structures (i.e. access road, pads, buildings, etc.) The Division will not grant approval until the time of reclamation. At that time you will need to make a demonstration that the facilities and structures are appropriate for the post mining land use, that they are in acceptable condition for the intended uses, and that they meet local planning and zoning requirements.

The Division delayed reviewing your notice in consideration of having the B&C Limestone Quarry (Fayette Quarry) reclaimed and transferring bond monies from that project for the surety requirement for this project. It has now been over the requested 60 days, and reclamation is not completed at the B&C Limestone Quarry. The Division cannot release any portion of that surety at this time to apply to this project.

Reclamation surety is required to be posted by all mining and exploration operations. The surety amount determined for this site is \$20,700.00. You must contact Jed Pearson, Division Minerals Surety Coordinator to complete the reclamation surety and submittal of the reclamation contract. He can be reached at (801) 538-5382 or email at jedpearson@utah.gov. Since your exploration notice for this site has expired (exploration notices expire on November 30th, the year after the notice is submitted), there is to be no further mining or exploration activity at this site until a reclamation surety is provided. Continued operations may result in formal enforcement action being taken by the Division. Reclamation work only may continue until the Notice is complete and the surety approved.

In reply, please refer to file number S/039/0020. Thank you for your cooperation.

Sincerely,



Susan M. White
Mining Program Coordinator
Minerals Regulatory Program

EXHIBIT C



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

E0390008 0002
★ S0390020 0002
cc: John

December 21, 2009

Certified Return Receipt
7003 2260 0002 0247 8867

Bryce Haas
P. O. Box 289
Gunnison, Utah 84634-0289

Subject: Notice of Expired Mineral Exploration Notice, Bryce Haas, Mayfield Exploration Project, E/039/0008, Sanpete County, Utah

Dear Mr. Mr. Haas:

Rule R647-2-102 associated with the Mined Land Reclamation Act states in part that a *Notice to Conduct Exploration shall be valid until November 30th of the year following the year of submittal. All exploration and reclamation activities should be completed within this time frame. An operator desiring to extend the duration of the notice of intention, must notify the Division in writing, prior to expiration of the notice of intention, specifying the reasons an extension is required.*

The Notice of Intention to Conduct Exploration (NOI), file No. E/039/0008, will now be closed. The Division received this NOI May 16, 2005, but never found it complete, never received a reclamation surety, and has not been receiving permit fees.

Closure of this file does not relieve you from any reclamation obligations you have in the area. The Division received a Notice of Intention to Commence Small Mining Operations for the Mayfield quarry on September 11, 2007, and responded with a letter on January 18, 2008. This letter identified several deficiencies in the Notice of Intention, and the Division has not received a response. Therefore, the NOI has never been determined complete.

The Division has also never received a reclamation surety for the Mayfield quarry although the site has been disturbed. While I understand you may have made some agreements about transferring the surety from the B&C Limestone quarry to the Mayfield quarry, this is impossible because reclamation has never been completed at B&C Limestone. You had requested 60 days to complete reclamation at the B&C Limestone quarry, and this time is long past.

No later than March 31, 2010, you must either complete regrading and seeding of the Mayfield quarry or submit a reclamation surety in the amount of \$20,700.00. This surety amount is escalated to January 2011. If you fail to do so, the Division may be forced to take enforcement action.

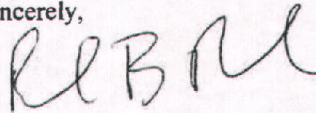


Bryce Haas
Page 2 of 2
E/039/0008
December 21, 2009

Please contact the Division's bonding coordinator, Penny Berry, for information about submitting the surety. She can be reached at 801-538-5291 or by e mail at bondcoordinator@utah.gov.

Other questions about this letter can be directed to me 801-538-5261. Thank you in advance for your cooperation.

Sincerely,

A handwritten signature in dark ink, appearing to read 'P. B. Baker', with a stylized flourish at the end.

Paul B. Baker
Minerals Program Manager

PBB:lk:pb
P:\GROUPS\MINERALS\WP\M039-Sanpete\E0390008-HaasExploration\final\EXP-expired-12212009.doc

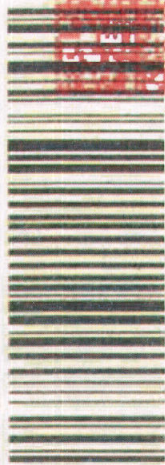
EXHIBIT D



State of Utah
DEPARTMENT OF NATURAL RESOURCES
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, UT 84114-5801

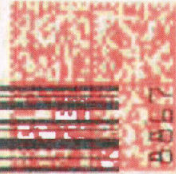
RETURN SERVICE REQUESTED

CERTIFIED MAIL™



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0001

BRYCE HAAS
PO BOX 289
GUNNISON UT 84634-0289



0001

1ST NOTICE 12-26
1-7
1-7

EXHIBIT E



Citation for Non-Compliance

Utah Minerals Regulatory Program

1594 West North Temple, Salt Lake City, UT 84114

Phone: (801) 538-5340 Fax: (801) 359-3940

Citation #: MC-2010-61-01

Permit Number: S/039/0020

Date Issued: 05/03/2010

☐

NOTICE OF VIOLATION

☒

CESSATION ORDER (CO)

☐

FAILURE TO ABATE CO

Permittee Name: Bryce Haas

Inspector ID and Number: 61

Mine Name: Mayfield Quarry

Date of Inspection: 04/27/2010

Certified Return Receipt Number:

Date and Time of Service: 5/3/2010 2³⁰ pm

Nature of condition, practice, or violation:

Conducting mining operations without an approved Notice of Intention or posting a Reclamation Surety.

Provisions of Act, regulations, or permit violated:

R647-3-101.1

UCA 40-8-13

For Cessation Orders and Failure to Abate CO's, check appropriate box(es) below:

☒

This order requires Cessation of ALL mining activities.

Or

☐

This order requires Cessation of PORTION(S) of the mining activities.

Mining activities to be ceased immediately:

All mining related activities and removal of previously mined materials.

Reclamation work may be performed prior to abating this order.

☒

Condition, practice, or violation is creating an imminent danger to health or safety of the public.

☒

Permittee/Operator is/has been conducting mining activities without a Permit.

☒

Condition, practice, or violation is causing or can reasonably be expected to cause significant, imminent environmental harm to land, air, or water resources.

☐

Permittee has failed to abate Violation included in Citation # _____ within time for abatement originally fixed or subsequently extended.

Abatement/corrective action(s) required (for all Citations):

Abatement Times (if applicable)

Submit a complete Notice of Intention, a reclamation surety in the amount of \$25,000 and a reclamation contract. Contact Penny Berry @ 801-538-5291 or email at bondcoordinator@utah.gov to obtain surety and reclamation contract forms.

By end of business on June 3, 2010

Bryce Haas

Permittee Representative (Print)

John Rogers

DOG M Representative (Print)

Permittee Representative's Signature

Date

DOG M Representative's Signature

05/03/2010

Date

SEE REVERSE SIDE Of This Form For Instructions And Additional Information

IMPORTANT – READ CAREFULLY

Pursuant to the Utah Mined Land Reclamation Act, Utah Code Ann. § 40-8-1 et. seq. (Act), the undersigned authorized representative of the Division of Oil, Gas, and Mining (DOGM) has conducted an inspection and found that a Citation in the form of a Notice of Violation or Cessation Order must be issued.

This Citation shall remain in effect until it is modified, terminated or vacated by written notice of an authorized representative of DOGM.

1. PENALTIES.

Assessment. For each violation included in this Citation, a penalty of up to \$5,000 may be assessed for each separate day the violation continues.

Proposed assessment. DOGM assesses fines based upon a proposed recommendation by an assessment officer. If there is additional information you wish DOGM to consider regarding the citation and proposed fine, please submit that to DOGM within *15 days of the date this citation is served on you or your agent*. Such information will be used by the assessment officer in determining facts surrounding the violation(s) and amount of penalty. Once DOGM has determined the proper penalty, it will serve the proposed assessment on you or your agent, within 30 days of the issuance of this citation. See Utah Admin. Code R647-7-105 et. seq.

The penalty will become final unless you or your agent file, within 30 days of receipt of the proposed assessment, a written request for an informal conference before an assigned conference officer.

If you fail to abate any violation within the time set for abatement or for meeting any interim step, you will be issued a Failure to Abate Cessation Order requiring cessation of mining operations on the portion of the operations relevant to the violation, and you will be assessed an additional minimum penalty of \$750 for each day of continuing violation beyond the time set for abatement.

2. STOP WORK CONFERENCE.

On the reverse side of this page, an authorized representative has made a finding as to whether or not this citation requires cessation of mining. If this citation requires cessation of mining, expressly or in practical effect, you may request that a stop work conference be held at or near the mine site. If you wish such a conference to be held, send your request to:

**Administrative Secretary
Associate Director of Mining
1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801**

See Utah Admin. Code R647-6-102.4 et seq. Once a stop work conference is scheduled, you will be notified of the date, time, and location of the conference. You must request the stop work conference within 30 day after service of this cessation order. The conference will be held within 5 days of your request.

3. FORMAL REVIEW AND TEMPORARY RELIEF.

You may appeal this citation to the Board of Oil, Gas, and Mining by submitting: a) a petition for hearing to the Board within 30 days of receipt of this notice, order or proposed assessment; and b) an amount equal to the proposed, reassessed or affirmed penalty to the Division. See Utah Admin. Code R647-7-107 et. Seq. Please submit the application for hearing to:

**Secretary
Board of Oil, Gas, and Mining
1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801**

If applying for a formal board hearing, you may submit with your petition for review a request for “*temporary relief*” from this citation. Procedures for obtaining a formal board hearing are contained in the Board’s Rules of Practice and Procedure and in Utah Admin. Code R647-5 et. seq.

4. INDIVIDUAL CIVIL PENALTIES.

An additional Individual Civil Penalty of up to \$5,000 per day may be assessed against a corporate director, officer or agent who knowingly and willfully authorizes, ordered or carried out a violation or who fails or refuses to comply with an order. For further information, consult Utah Code Ann. § 40-8-9 through 40-8-9.1 and Utah Admin. Code R647-6 through R647-8 et. seq., or contact the Division of Oil, Gas, and Mining at (801) 538-5340.

EXHIBIT F



GARY R. HERBERT
Governor

GREGORY S. BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

May 17, 2010

Bryce Haas
PO Box 289
Gunnison UT 84634-0289

Subject: In the Matter of the Stop Work Conference, Findings, Conclusions and Order for the Mayfield Quarry, Cessation Order MC-2010-61-01, S/039/0020, San Pete County, Utah

Dear Mr. Haas:

On May 12, 2010 the Division of Oil, Gas and Mining (the Division) held a Stop Work Conference at the Mayfield Quarry, S039/0020 in San Pete County, Utah. The following individuals attended: Representing the Division were, Dana Dean, Associate Director, Mining/Conference Officer; Paul Baker, Minerals Program Manager; and John Rogers, Environmental Scientist. Bryce Haas, Quarry Operator, represented himself and Bill Christiansen, Landowner, represented himself.

The Findings and Conclusions and Order in this matter are based on information provided by the Division and Misters Haas, and Christiansen in connection with this Stop Work Conference, and on information in the files of the Division.

FINDINGS & CONCLUSIONS

1. Cessation Order MC-2010-61-01 (CO) was issued May 3, 2010 for conducting mining operations without an approved Notice of Intention (NOI) and failure to post a Reclamation Surety. The Order required cessation of all mining activities.
2. Mr. Haas requested a Stop Work Conference on May 5, 2010 through Ms. Vickie Southwick, Administrative Secretary according to the procedure spelled out in the CO.
3. A Stop Work Conference was scheduled for Wednesday May 12, 2010, and held at 10:00 am, in accordance with R647-6-102.4.
4. Mr. Haas submitted a Notice of Intention to Commence Small Mining Operations (NOI) in September of 2007.
5. By letter dated January 18, 2008, the Division notified Mr. Haas that his NOI was incomplete, and spelled out what needed to be included to make the application complete. Mr. Haas referred to this letter at the conference.
6. The January 2008 letter also made it clear to Mr. Haas needed to post a \$20,700 reclamation surety in order to conduct any further mining or exploration activity at the site. Reclamation work was allowed to proceed.



7. On December 21, 2009 the Division sent a certified letter to Mr. Haas informing him that he would need to reclaim the Mayfield Quarry by March 31, 2010 or submit \$20,700 in bond. Mr. Haas did not claim the letter and it was returned to the Division.
8. Mr. John Rogers, Environmental Scientist with the Division conducted an inspection of the Mayfield Quarry on April 27, 2010. During the inspection he noted that Mr. Haas had continued to mine, and had still neglected to post a reclamation surety or submit a complete NOI. The CO was written based on his observations and the history of the situation.
9. At the time of the conference mine equipment was idle and no product was being transported off site. Mr. Haas stated that no mining and no product delivery was taking place due to the issuance of the CO.
10. Mr. Haas represented that the quarry was his only source of income and it would take 3-5 paid and shipped orders to gather enough money to cover the bond. He also represented that he thought he had done what was necessary to legally operate.
11. Mr. Christiansen represented that he would prefer that mining continue on his land, and that he wanted some of the equipment left on-site after reclamation. He also wants to keep the road and pad area for post mining use.
12. Mr. Haas asked that he be allowed to sell the product he had ready for shipping, and mine a small corner of the face that would amount to "squaring up" the face. (see attachment 1)
13. It is concluded that Mr. Haas failure to claim the certified letter sent December 21, 2009 does not release him from liability. In fact, he had been told as early as January 2008 that he was out of compliance and was required to provide a reclamation surety and complete NOI.
14. It is concluded that Mr. Haas continued to knowingly operate the Mayfield Quarry without a permit or reclamation surety.
15. It is concluded from the information presented that the Division has given Mr. Haas plenty of time (over two years) to provide a complete NOI and reclamation surety.
16. It is concluded by the Conference Officer that the Cessation Order is affirmed for lack of reclamation surety and NOI and amended as ordered below.

ORDER

1. Cessation Order MC-2010-61-1, issued May 3, 2010, is hereby upheld.
2. Reclamation work may continue prior to abating the CO.

3. Mr. Haas may transport and sell any on-site product already packaged for sale. The product referred to can be seen attachments 3 and 4.
4. Mr. Haas may package and transport loose product. Loose product is documented in attachments 5-8
5. Mr. Haas may not loosen any rock, and may not advance the face. The face must remain as documented in attachments 1 and 2.
6. The CO will be fully terminated when the appropriate reclamation surety and a complete NOI have been provided.
7. The reclamation surety has been calculated at \$25,000 based on current site disturbance. It may be adjusted if reclamation work merits doing so.
8. If Mr. Haas fails to provide proper surety and a complete NOI; or completely reclaim the site by June 3, 2010 as specified in the CO he may be issued a failure to abate cessation order, which carries a \$750 per day fine.

Please be cognizant of time frames specified in the CO, if you have questions regarding such, please Mr. Paul Baker at 801-538-5261.

If you wish to appeal this Order to the Board of Oil, Gas and Mining, you may do so by contacting the Division within 30 days of receipt. The CO will remain in effect during the appeal period, and must be abated prior to continuation of mining. Please contact Julie Ann Carter, Secretary to the Board at 801-538-5277. If you have any questions regarding this letter, please contact me at 801-538-5320.

Sincerely,



Dana Dean
Associate Director, Mining

EXHIBIT G

Assigned DOG. file No.: S0390020

DOGM Lead: John Rogers

Permit Fee \$ 150.00 Ck # Cash Receipt #
154857

NOI
5/23/2020

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1594 West North Temple Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
Telephone: (801) 538-5291 Fax: (801) 359-3940

Task ID # 3561

NOTICE OF INTENTION TO COMMENCE SMALL MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1987, and the General Rules as promulgated under the Utah Minerals Regulatory Program.

Note on confidentiality: Information provided in the notice of intention relating to the location, size, or nature of the mineral deposit that is clearly marked confidential will be protected as confidential. Each page or map requested to be kept confidential must be stamped or marked as such. The requested confidential information must describe how the confidential material relates to the location size or nature of the mineral deposit; provide a written claim of business confidentiality; and/or include a concise statement of reasons supporting the claim of business confidentiality, unless disclosing the location of explosives or historic, prehistoric, paleontological, or biological resource that must be considered confidential under statute.

"Small Mining Operations" mining operations which have a disturbed area of five or less surface acres at any time.

I. GENERAL INFORMATION (Rule R647-3-104)

1. Name of Mine: B&H Quarry
2. Legal name of entity (or individual) for whom the permit is being requested: Bryce H Haas
Mailing Address: PO Box 289
City, State, Zip: Gunnison UT 84634
Phone: (801) 809-5067 Fax: (435) 520-5522
E-mail Address: centralutahstine@yahoo.com

Type of Business: Corporation () LLC () Sole Proprietorship (dba) ☒
Partnership () General _____ or _____ limited
Or:
Individual ()

Entity must be registered (and maintain registration) with the State of Utah, Division of Corporations (DOC)

Are you currently registered to do business in the State of Utah? G Yes G No

Entity # _____

If no, contact _____ to renew or apply.

Local Business License # _____ (if required)

Issued by: County _____ or City Mayfield

APPROVED

JUN 28 2010

DIV. OIL GAS & MINING

RECEIVED
JUN 02 2010
DIV. OF OIL, GAS & MINING

3. **Contact Person**
Name: Bryce H. Haas Title: owner
Address: 915 100 E.
City, State, Zip: Mayfield UT. 84643
Phone: (801) 809-5067 Fax: (435) 528-5522
Emergency, Weekend, or Holiday Phone: (801) 809-5067
E-mail Address: Central.UtahStone@yahoo.com

Contact person to be notified for: permitting ☒ surety ☒ Notices ☒ (please check all that apply)

Name: Bryce H. Haas Title: owner
Address: 915 100 E.
City, State, Zip: Mayfield UT. 84643
Phone: (801) 809-5067 Fax: (435) 528-5522
Emergency, Weekend, or Holiday Phone: (801) 809-5067
E-mail Address: Central.UtahStone@yahoo.com

Contact person to be notified for: permitting ☐ surety ☐ Notices ☐ (please check all that apply)

Registered Utah Agent (as identified with the Utah Department of Commerce) (if individual leave blank):

Name: _____
Address: _____
City, State, Zip: _____
Phone: _____ Fax: _____
E-mail Address: _____

4. **If Business is a Sole Proprietor:**
Name of Owner: Bryce H. Haas Title: owner
Business Address: 1755 South Field Rd.
City, State, Zip: Mayfield UT. 84643
Phone: (801) 809-5067 Fax: (435) 528-5522
E-mail Address: Central.UtahStone@yahoo.com

If Business is a Corporation:

Name of Officers: _____ Title: _____
_____ Title: _____
_____ Title: _____
_____ Title: _____

Headquarters Address: _____
City, State, Zip: _____
Headquarters Phone: _____ Fax: _____
E-mail Address: _____

If Business is a Limited Liability Company: Member Managed G Manager Managed G

Name of 1st Member/Manager: _____ Title: _____
Business Address: _____
City, State, Zip: _____
Phone: _____ Fax: _____
E-mail Address: _____

Name of 2nd Member/Manager: _____
Business Address: _____
City, State, Zip: _____
Phone: _____ Fax: _____
E-mail Address: _____

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If Business is a Partnership:

Name of Partner: _____
Business Address: _____
City, State, Zip: _____
Phone: _____ Fax: _____
E-mail Address: _____

5. Ownership of Land Surface:

☒ Private (Fee) G ☐ Public Domain (BLM) G ☐ National Forest (USFS) G
☐ State Trust Land/School Sections G ☐ State Sovereign Lands G
Other (please describe): _____

Name _____ Address _____

Name Bill K. Christensen Address 450 West Christianburg Rd. Mayfield UT.

Name _____ Address _____

Name _____ Address _____

6. Ownership of Minerals:

☒ Private (Fee) G ☐ Public Domain (BLM) G ☐ National Forest (USFS) G
☐ State Trust Land/School Sections G ☐ State Sovereign Lands G
Other (please describe): _____

Name Bill K. Christensen Address 450 West Christianburg Rd. Mayfield, UT.

Name _____ Address _____

Name _____ Address _____

Name _____ Address _____

BLM Lease or Project File Number(s) and/or USFS assigned Project Number(s): _____

BLM Claim Numbers _____

Utah State Lease Number(s): _____

Name of Lessee(s) _____

7. Have the above surface and mineral owners been notified in writing?

Yes ☒ No _____

If no, why not? _____

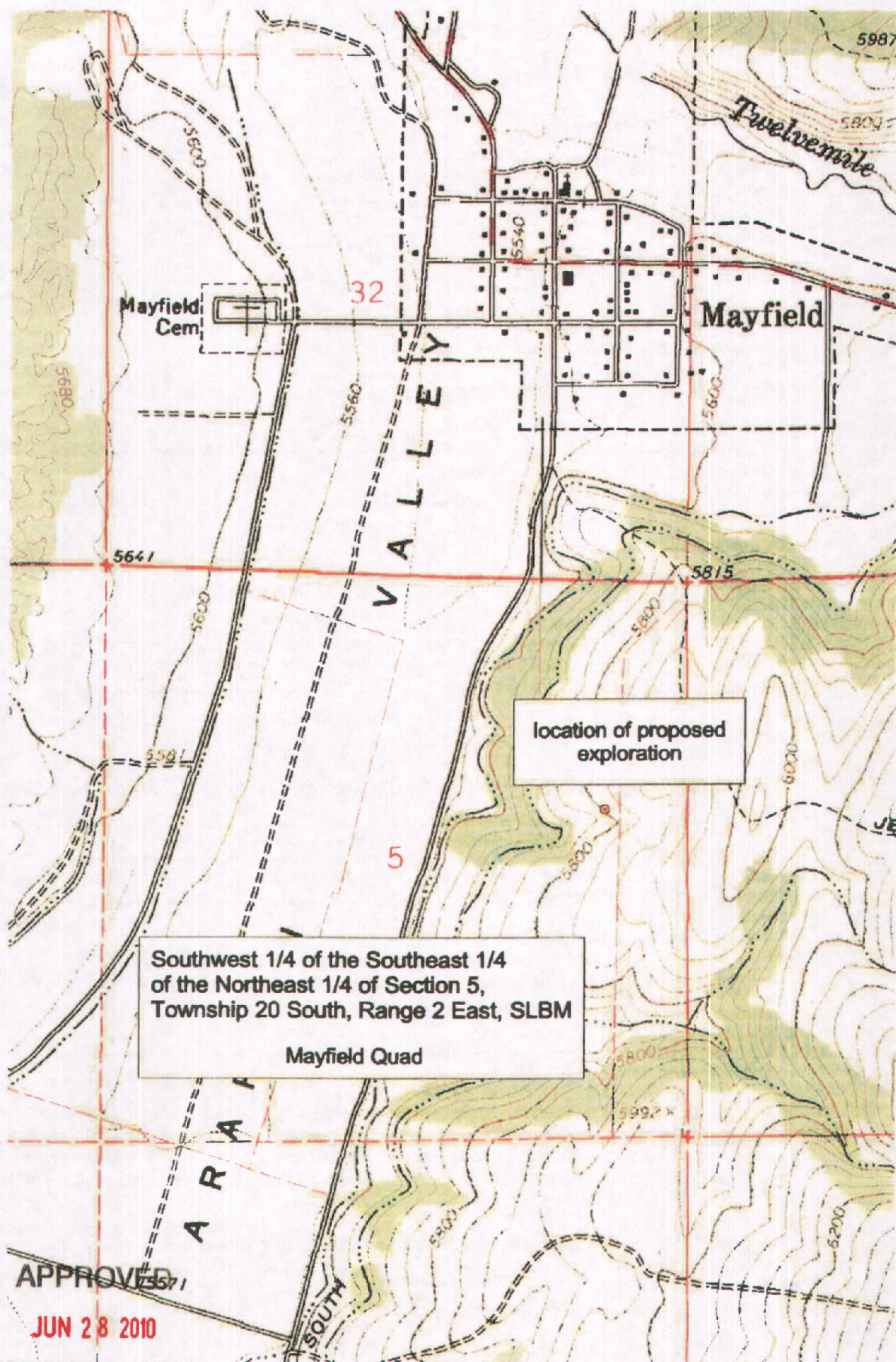
Please be advised that if State Trust Lands are involved, notification to the Division of Oil, Gas and Mining alone does not satisfy the notification requirements of Mineral Leases upon State Trust Lands. Exploration or mining activity on State Trust Lands requires a minimum of 60 days notice to the Trust Lands Administration prior to commencing any activities. Please contact the School Institutional Trust Lands Administration (SITLA) at (801) 538-5508 for notification requirements.

8. Does the Entity have legal right to enter and conduct mining operations on the land covered by this notice? Yes ☒ No _____

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DIV. OIL GAS & MINING



II. **PROJECT LOCATION & MAP** (Rule R647-3-105)

1. **Project Location & Map** (legal description):

County(ies): _____

____ 1/4, of ____ 1/4, of ____ 1/4: Section: 32 Township: 19th South Range: 2 East
____ 1/4, of ____ 1/4, of ____ 1/4: Section: _____ Township: _____ Range: _____
____ 1/4, of ____ 1/4, of ____ 1/4: Section: _____ Township: _____ Range: _____

UTM East 439123 (if known) UTM North 4328579 (if known)

Name of Quad Map for Location: _____

2. **Location and Operations maps** must be plotted at a scale to accurately identify locational landmarks and operations details. All maps must include a north arrow, scale, appropriate labels, and title box including the mine name, township, range and section.

a. The **general location map** must be the scale of a USGS 7.5 minute series map or equivalent (1"=2000') and identify new or existing access roads.

b. The **operations map** (1"=200' or other scale as determined necessary by the Division) must be labeled and identify:

i. The area to be disturbed;

ii. The location of any existing or proposed operations including access roads, drill holes, trenches, pits, shafts, cuts, or other planned activities; and

iii. Any adjacent previous disturbance for which the operator is not responsible.

(Contact the Division for a list of consultants and land surveyors for mapping assistance.)

3. The proposed (5 acre or less) disturbed area (including access/haul roads) should be marked in the field ON THE GROUND with metal T-Posts (or with some other marker of equal effectiveness). Markers should be appropriately spaced so that the next marker in either direction is clearly visible with the naked eye.

III. **OPERATION PLAN** (Rule R647-3-106)

1. **Type of mining:** Surface ☒ Underground ☐

2. **Mineral(s) to be mined:** Building Stone

3. **Amount of material** to be extracted, moved, or proposed to be moved: _____

4. Will any **water, liquid chemicals, reagents, or other solutions** be used, produced or discharged as part of the mining or milling process?

Yes ☐

No ☒

If yes, please describe (add extra pages if needed) _____

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JUN 28 2010

5. Provide a brief **description of the proposed mining operation** and onsite processing facilities (add extra pages if necessary). We are digging into a 20' ledge and identifying good flagstone material that will split into 2" in thickness and can be used for driveways, walkways and pool decks. We also are separating 4" slab to be processed through a guillotine for the use to veneer fireplaces/retaining walls
6. ☒ **New Road(s):** Length 990 (ft) Width 10 (ft)
7. ☐ **Improved Road(s):** Provide a description of the improvements that need to be made to existing roads to access the site, including the Length _____ (ft) and Width _____ (ft) of new disturbances.
8. Total project surface acreage to be disturbed: 2 (acres) PLEASE SPECIFY EXACT ACREAGE - (this will be used to determine surety bond amount - see #VI).
9. Proposed **startup date** (month, year) June 3, 2010
10. Proposed **completion date**, if known (month, year) _____

IV. OPERATION AND RECLAMATION PRACTICES (Rule R647-3-107, 108 & 109)

The reclamation and operation obligation is to keep the area clean and safe, minimize hazards to public safety, return the land to a useful condition, and reestablish at least 70 percent of the premining vegetative ground cover or within practical limits. To accomplish this, the Permittee / Operator will need to perform reclamation concurrently, or at the completion (within one (1) year) of mining. Please refer to The Practical Guide to Reclamation in Utah, available at https://fs.ogm.utah.gov/pub/MINES/Coal_Related/RecMan/Reclamation_Manual.pdf.

1. Keep the mining operation in a safe, clean, and environmentally stable condition.
2. Permanently seal all shafts and tunnels to prevent unauthorized or accidental entry.
3. Plug drill holes with a five foot cement surface plug. Holes that encounter fluids are to be plugged in the subsurface to prevent aquifer contamination.
4. Construct berms, fences, or barriers, when needed, above highwalls and excavations.
5. Remove, isolate, or neutralize all toxic materials in a manner compatible with federal and state regulations.
6. Remove all waste or debris from stream channels.
7. Dispose of any trash, scrap metal, wood, machinery, and buildings.
8. Conduct mining activities so as to minimize erosion and control sediment.
9. Reclaim all roads that are not part of a permanent transportation system.
10. Stockpile topsoil and suitable overburden prior to mining.

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JUN 28 2010

11. Stabilize highwalls by backfilling or rounding to 45 degrees or less, where feasible; reshape the land to near its original contour, and redistribute the topsoil and suitable overburden.
12. Properly prepare seedbed to a depth of six inches by pocking, ripping, discing, or harrowing. Leave the surface rough.
13. Reseed disturbed areas with adaptable species. (The Division recommends a mixture of species of grass, forb, and browse seed, and will provide a specific species list if requested.)
14. Plant the seed with a rangeland or farm drill, or broadcast the seed. Fall is the preferred time to seed.

V. VARIANCE REQUEST (Rule R647-3-110)

Any variance request must be approved in writing by the Division

Any planned deviations from Rules R647-3-107, Operation Practices, R647-3-108, Hole Plugging Requirements, or R647-3-109, Reclamation Practices, as summarized above (see IV. Operation and Reclamation Practices Item # 1-14), should be identified below listing applicable rule number. Give justification for the variance(s) and alternate methods or measure to be utilized. Written approval from the Division will be given, if the proposed alternative methods to be used are consistent with the Act

Are variances being requested? Yes ☐ No ☒

1st Variance Requested

Item # _____ Applicable Rule # (i.e. R647-3-109.10 (if you did not want trenches & pits reclaimed))

Justification: _____

Alternate methods or measure to be utilized: _____

2nd Variance Requested

Item # _____ Applicable Rule # _____

Justification: _____

Alternate methods or measure to be utilized: _____

3rd Variance Requested

Item # _____ Applicable Rule # _____

Justification: _____

Alternate methods or measure to be utilized: _____

Attach additional page if more variances are requested.

VI. SURETY (Utah Code Ann. §40-8-7(1)(c))

A reclamation contract and surety must be provided to and approved by the Division prior to commencement of operations. No surface disturbance is authorized until the surety is posted and approved in writing. The surety may be provided in the form of a certificate of deposit, a letter of credit, a surety bond, or cash. Please contact the Division for further information about submitting the surety. All mining operations are required to furnish and maintain reclamation surety to guarantee that the land affected is reclaimed (Utah Code Ann. §40-8-7(1)(c)).

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JUN 28 2010

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The reclamation surety amount is based on the nature, extent and duration of operations. The amounts are based on data from current large mine surety and are used as a general guide, along with actual site conditions. Reclamation surety for small mines is reviewed every three (3) or five (5) years and adjusted as necessary for inflation/deflation based upon acceptable Costs Index. **Contact the Division for the dollar amount required for a three (3) or five (5) year period for this project.**

VII. PERMIT FEE (Utah Code Ann. §40-8-7(1)(i))

A permittee's authorization under a notice of intention to conduct small mining operations shall require the paying of permit fees as authorized by the Utah Legislature (R647-3-102.5). Permit fees are assessed to new and existing small mining operations, and annually thereafter, until the project disturbances are successfully reclaimed by the Permittee / Operator and released by the Division.

Small Mine Notices require a \$150.00 fee, which must accompany this application, or the Division cannot process it.

VIII. SIGNATURE REQUIREMENT

CERTIFICATION

I state under penalty of perjury under the laws of the state of Utah and the United States of America that:

- a. I have read this form and declare the information, statements and/or documentation are true, correct and complete to the best of my knowledge and belief; AND
- b. I commit to the reclamation of the aforementioned small mining project as required by the Utah Mined Land Reclamation Act (40-8) and the rules as specified by the Board of Oil, Gas and Mining.
- c. **This certification must be signed by:** (1.) an executive officer if the applicant is a corporation; (2.) a partner if applicant is a partnership (general or limited); (3.) the owner if applicant is a sole proprietorship; **or** (4.) the member or manager if applicant is a limited liability company.

Signature: Bryce H. Haas Date: 5-19-10
Name (typed or printed): Bryce H. Haas
Title/Position (if applicable): owner

O:\FORMS\notices\Final\smo-09212009.doc

EXHIBIT H

Mine Name: Mayfield Quarry

Other Agency File Number:

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION of OIL, GAS and MINING
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
(801) 538-5291
Fax: (801) 359-3940

---ooOoo---

RECEIVED

JUN 02 2010

Div. of Oil, Gas & Mining

SMALL MINE RECLAMATION CONTRACT

This Reclamation Contract (hereinafter referred to as "Contract") is entered into between Bryce Haas the "Operator" and the Utah State Division of Oil, Gas and Mining ("Division").

WHEREAS, Operator desires to conduct mining operations under Notice of Intention (NOI) File No. S/039/0020 which the Operator has filed with the Division and has been determined by the Division to be complete (Complete NOI) as required by the Utah Mined Land Reclamation Act, Sections 40-8-1 et seq., Utah Code Annotated, (2005, as amended) (hereinafter referred to as "Act") and the regulations adopted pursuant to the Act; and

WHEREAS, Operator is obligated to reclaim the lands affected by the mining operations in accordance with the Act and the regulations, and is obligated to provide a surety in a form and amount approved by the Division or the Board of Oil, Gas and Mining (Board) to assure reclamation of the lands affected by the mining operations.

NOW, THEREFORE, the Division and the Operator agree as follows:

1. Operator agrees to promptly reclaim in accordance with the requirements of the Act and applicable regulations, as they may be amended, all of the lands affected by the mining operations conducted or to be conducted pursuant to a Complete Notice of Intention.
2. The Lands Affected by the mining operations and subject to the requirements of the Act and this Contract include:
 - A. All surface and subsurface areas affected or to be affected by the mining operations including but not limited to private on-site ways, roads, railroads; land excavations; drill sites and workings; refuse banks or spoil piles; evaporation or settling

ponds; stockpiles; leaching dumps; placer areas; tailings ponds or dumps; work, parking, storage, and waste discharge areas, structures, and facilities; and

- B. All mining disturbances regardless of discrepancies in the map and legal description, unless explicitly and clearly identified as EXCLUDED on maps, and legal descriptions included in the Complete NOI; provided lands may be excluded only if: (1) they were disturbed by mining operations that ceased prior to July 1, 1977; (2) the lands would be included but have been reclaimed in accordance with a complete notice or reclamation plan; or (3) the lands were disturbed by a prior operation for which there is no surety, no legally responsible entity or person, and which lands are not necessarily or incidentally intended to be affected by the mining operations as described in the Complete NOI.
- 3. The Operator shall be responsible for reclamation of all such Lands Affected regardless of errors or discrepancies in the maps or legal descriptions provided with the NOI which are intended to assist in determining the location of the mining operations, to describe the areas of disturbance, and to assist estimating the amount of surety required.
 - 4. The Operator prior to commencement of any mining operations and as a precondition to the rights under the Notice of Intention shall provide a surety in a form permitted by the Act and in an amount sufficient to assure that reclamation of the Lands Affected will be completed as required by the Act. The Surety shall remain in full force and effect according to its terms unless modified by the Division in writing. A copy of the agreement providing for the Surety for the reclamation obligations herein is included as **ATTACHMENT A** to this Contract.
 - 5. If the Surety expressly provides for cancellation or termination for non-renewal:
 - A. The Operator shall within 60 days following the Division's receipt of notice that the Surety will be terminated or cancelled, provide a replacement Surety sufficient in a form and amount, as required by the Act, to replace the cancelled surety; or
 - B. If the Operator fails to provide an acceptable replacement Surety within 60 days of notice of cancellation or termination, the Division may order the Operator to cease further mining activities, and without further notice proceed to draw upon letters of credit, to withdraw any amounts in certificates of deposit or cash and/or any other forms of surety, and to otherwise take such action as may be necessary to secure the rights of the Division to perfect its claim on the existing surety for the purpose of fully satisfying all of the reclamation

obligations incurred by the Operator prior to the date of termination, and the Division may thereafter require the Operator to begin immediate reclamation of the Lands Affected by the mining operations, and may, if necessary, proceed to take such further actions as may be required for the Division to forfeit the surety for the purpose of reclaiming the Lands Affected.

6. The Operator's liability under this Contract shall continue in full force and effect until the Division finds that the Operator has reclaimed the Lands Affected by mining operations in accordance with the Act and regulations, as amended. If the mining operations are modified or for any other reason vary from those described in the Complete Notice of Intention, the Operator shall immediately advise the Division, and the Notice of Intention shall be revised and the Surety amount shall be adjusted as necessary.
7. If reclamation of a substantial phase or segment of the Lands Affected by the mining operations is completed to the satisfaction of the Division, and the Division finds that such substantial phases or segments are severable from the remainder of the mining area, Operator may request the Division to find that Operator has reclaimed such area. If the Division makes such finding, Operator may make request to the Division for a reduction in the aggregate face amount of the Surety, and the Division may reduce the surety to an amount necessary to complete reclamation of the remaining mining operations as anticipated by the Complete Notice of Intention in accordance with the requirements of the Act and regulations, as amended.
8. Operator may, at any time, submit a request to the Division to substitute surety. The Division may approve such substitution if the substitute surety meets the requirements of the Act and the applicable rules.
9. Operator agrees to pay all legally determined public liability and property damage claims resulting from mining operations, to pay all permit fees, to maintain suitable records, to file all required reports, to permit reasonable inspections, and to fulfill all sundry reporting requirements applicable to the mine as required by the Act and implementing rules.
10. Operator agrees to indemnify and hold harmless the State, Board, and the Division from any claim, demand, liability, cost, charge, suit, or obligation of whatsoever nature arising from the failure of Operator or Operator's agents and employees, or contractors to comply with this Contract.
11. If Operator shall default in the performance of its obligations hereunder, Operator shall be liable for all damages resulting from the breach hereof including all costs, expenses, and reasonable attorney's fees incurred by the Division and/or the Board in the enforcement of this Contract.

12. Any breach of a material provision of this Contract by Operator may, at the discretion of the Division, in addition to other remedies available to it, result in an order by the Division requiring the Operator to cease mining operations, and may thereafter result in an Order, subject to an opportunity for notice and hearing before the Board, withdrawing and revoking the Notice of Intention, and requiring immediate reclamation by the Operator of the Lands Affected or forfeiture of the Surety.
13. In the event of forfeiture of the Surety, Operator shall be liable for any additional costs in excess of the surety amount that is required to comply with this Contract. Upon completion of the reclamation of all of the Lands Affected, any excess monies resulting from forfeiture of the Surety shall be returned to the rightful claimant.
14. The Operator shall notify the Division immediately of any changes in the Operator's registered agent, the Operator's address, form of business, name of business, significant changes in ownership, and other pertinent changes in the information required as part of the Notice of Intention. Notwithstanding this requirement, any changes to the Notice of Intention, and any errors, omissions, or failures to fully or accurately complete or update the information on the Notice of Intention, or the attached maps, shall not affect the validity of this Contract and the rights of the Division to enforce its terms.
15. If requested by the Division, the Operator shall execute addendums to this Contract to add or substitute parties, or to reflect changes in the Operator, Surety, and otherwise modify the Contract to reflect changes in the mining operations as requested by the Division. All modifications must be in writing and signed by the parties, and no verbal agreements, or modifications in any of the terms or conditions shall be enforceable.
16. This Contract shall be governed and construed in accordance with the laws of the State of Utah.

The signatory below represents that the Operator, if not a natural person, is a properly organized entity in good standing under the laws of Utah and the United States, is registered as an entity authorized to do business in the State of Utah, and that he/she is authorized to execute this Contract on behalf of the entity as Operator.

OPERATOR:

Bryce Haas
Operator Name

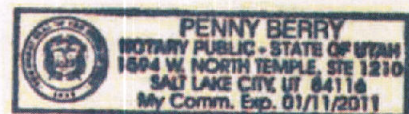
By _____
Authorized Officer (Typed or Printed)
Owner
Authorized Officer - Position

Bryce Haas 8-2-10
Officer's Signature Date

STATE OF Utah)
COUNTY OF Salt Lake) ss:

On the 2 day of June, 2010, Bryce Haas
_____ personally appeared before me, who being by me duly sworn did say that
he/she is an owner (owner, officer, director, partner, agent
or other (specify)) of the Operator Bryce Haas and duly
acknowledged that said instrument was signed on behalf of said Operator by
authority of its bylaws, a resolution of its board of directors or as may otherwise
be required to execute the same with full authority and to be bound hereby.

Penny Berry
Notary Public
Residing at Salt Lake
1/11/2011
My Commission Expires:



My Comm. Exp. 07/1/2011
SALT LAKE CITY UT 84116
1804 W NORTH TEMPLE STE 1210
NOTARY PUBLIC - STATE OF UTAH
PENNY BERRY



DIVISION OF OIL, GAS AND MINING:

By John R. Baza
John R. Baza, Director

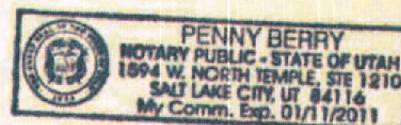
Date 6/16/2010

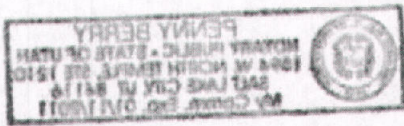
STATE OF Utah)
COUNTY OF Salt Lake) ss:

On the 16 day of June, 2010, John R. Baza
personally appeared before me, who being duly sworn did say that he, the said
John R. Baza is the Director of the Division of Oil, Gas and Mining,
Department of Natural Resources, State of Utah, and he duly acknowledged to me that
he executed the foregoing document by authority of law on behalf of the State of Utah.

Penny Berry
Notary Public
Residing at: Salt Lake

1/11/2011
My Commission Expires:





FACT SHEET

Commodity: stone

Mine Name: Mayfield Quarry

Permit Number: 5/039/0020

County: Sanpete

Disturbed Acres: 2

Operator Name: Bryce Haas

Operator address: 91 S. 100 E. Mayfield, UT. 84643

Operator telephone: (801) 809-5067

Operator fax: (435) 520-5522

Operator email: central-utah-stone@yahoo.com

Contact: Bryce Haas

Surety Type: cash

Held by (Bank/BLM):

Surety Amount: \$10,000

Surety Account Number:

Escalation Year: 2013

Tax ID or Social Security (for cash only): 563-11-4642

Surface owner: Fee

Mineral owner: Fee

UTU number:

Acres:



P.O. Box 9 Salina, Ut. 84654
Phone 435 529 7459

OFFICIAL CHECK

104630

June 2, 2010

Customer Receipt

For:
REMITTER: Central Utah Stone

\$10,000.00

RECEIVED of Oil Gas and Mining

JUN 02 2010

DIV. OF OIL, GAS & MINING

NOT NEGOTIABLE

WARNING: ORIGINAL DOCUMENT PRINTED ON LINEMARK PAPER HOLD TO LIGHT TO VIEW. THIS DOCUMENT HAS A MULTI-COLORED BACKGROUND.



P.O. Box 9 Salina, Ut. 84654
Phone 435 529 7459

OFFICIAL CHECK

104630
97-246/1243

June 2, 2010

PAY TO
THE
ORDER
OF

Division of Oil Gas and Mining

AMOUNT
\$10,000.00

\$10,000.00

REMITTER: Central Utah Stone

[Signature]

⑈104630⑈ ⑆124302464⑆ 1012032200⑈ 60

50390020



EXHIBIT I



RICHARD K. ELLIS
STATE TREASURER

STATE OF UTAH

UTAH STATE TREASURER
Utah STATE CAPITOL COMPLEX
350 N STATE STREET, Suite 180
P. O. BOX 142315
SALT LAKE CITY, UTAH 84114-2315

TEL: (801) 538-1042
FAX: (801) 538-1465
TDD: (801) 538-1042

DAVID C. DAMSCHEN
CHIEF DEPUTY STATE TREASURER

CHRISTINE M. BRANDT
STATE INVESTMENT OFFICER

June 8, 2010

Ms. Raylyn Daniel
Trust Administrator
Zions First National Bank
One South Main, Suite 1200
Salt Lake City, Utah 84133-1109

Dear Raylyn:

Please find enclosed cashier's check # 104630 drawn on Utah Independent Bank for \$10,000.00 from Central Utah Stone. Please add this amount to the interest bearing escrow account #8912020 that you are holding for the Utah State Treasurer-Oil Gas & Mining entitled OGM-Bryce Haas. This will bring the total of this account to \$11,470.00.

If there are any questions or problems, please call me at 801-538-1883. Thank you for your help.

Sincerely,

Ann Pedroza
Research Analyst

EXHIBIT J



GARY R. HERBERT
Governor

GREGORY S. BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

June 29, 2010

Bryce Haas
P.O. Box 289
Gunnison, Utah 84634

Subject: Permit to Commence Small Mining Operations, Bryce Haas, B & H Quarry, S/039/0020, San Pete County, Utah

Dear Mr. Haas:

The Division finds your notice of intention (Notice) complete and approves the reclamation surety for the B & H Quarry (formerly known as the Mayfield Quarry). You are now permitted to conduct small mining operations on two acres as outlined in the Notice and Exhibit 2 copies of which are included with this letter. The approval or acceptance of a complete notice of intention does not relieve an operator from his responsibility to comply with the applicable statutes, rules, regulations, and ordinances of all local, state and federal agencies with jurisdiction over any aspect of the operator's mining operations.

Please keep in mind the following regulatory requirements.

The Division must be notified no later than 30 days after beginning mining operations.

- Mining disturbance is only allowed in the area identified in the Notice and Reclamation Contract.
- Stockpiling topsoil material prior to beginning activities will help ensure successful revegetation. Even the first few inches of undeveloped material are worth saving to aid in later revegetation efforts, and future regulatory surety release.
- If you encounter any archaeological or historical items, you are asked to notify this office and State History of your find.
- Annual permit fees are due July 30th of each year.
- Annual reports are due by December 31st of each year.
- The Division requests that the disturbed area boundary (including access/haul roads) be marked with metal T-posts to identify the area permitted for mining.

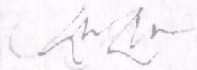


Page 2 of 2
Bryce Haas
S/039/0020
6/28/2010

As a result from the Stop Work Conference held on May 12, 2010, a set of unique circumstances surrounds this approval. Since the \$10,000 surety bond was posted on June 2, 2010, you may mine the "corner" and square up the face as described in Exhibit 2 of the findings and conclusions of the Stop Work Order. The mine may not advance any further until the full reclamation surety is posted. The reclamation of the previous disturbance must be completed immediately. An inspector from the Division will survey the reclaimed portion, analyze the current mining operation, and verify that the current mining is not outside the prescribed area. A final surety calculation will be determined following the inspection.

The Division's web page at <http://ogm.utah.gov/> under the Mining Program has a link to the rules under which you are expected to operate and to other information to assist you in complying with program requirements. Thank you for your cooperation. In reply, please refer to file number S/039/0020. If you have questions or concerns regarding this letter, please contact Paul Baker at 801-538-5261 or John Rogers at 538-5349.

Sincerely,



Dana Dean, P.E.
Associate Director of Mining

DD:jer:vs
Enclosures: Approved NOI and Exhibit 2
Copy of RC & surety forms
cc: Penny Berry
P:\GROUPS\MINERALS\WP\M039-Sanpete\S0390020-B & H Quarry (Haas)\final\apvl-3561-06282010.doc

Exhibit 2 - Approximate Delineation Of The "Corner" To Be Mined, Once \$10,000 In Reclamation Surety Has Been Posted With The Divison.
The exact area will be delineated with stakes on-site before mining the area.



EXHIBIT K

Task: 4079


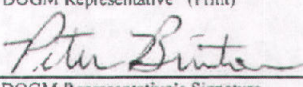
 Citation for Non-Compliance Utah Minerals Regulatory Program 1594 West North Temple, Salt Lake City, UT 84114 Phone: (801) 538-5340 Fax: (801) 359-3940	Citation #: MC-2011-65-01	
	Permit Number: S/039/0020	
	Date Issued: 04/14/2011	
<input type="checkbox"/> NOTICE OF VIOLATION	<input type="checkbox"/> CESSATION ORDER (CO)	<input checked="" type="checkbox"/> FAILURE TO ABATE CO
Permittee Name: Bryce Haas		Inspector ID and Number: Peter Brinton - 65
Mine Name: B & H Quarry		Date of Inspection: N/A
Certified Return Receipt Number: 7009 3410 0001 4203 1769		Date and Time of Service: 4-14-11 3:30 pm
Nature of condition, practice, or violation: R647-6-102.1.14 UCA 40-8-9(3)(c)(ii)		
Provisions of Act, regulations, or permit violated: 		
For Cessation Orders and Failure to Abate CO's, check appropriate box(es) below:		
<input checked="" type="checkbox"/> This order requires Cessation of ALL mining activities. Or <input type="checkbox"/> This order requires Cessation of PORTION(S) of the mining activities.		
Mining activities to be ceased immediately: All mining activities and removal of previously mined material. Reclamation of the site may continue during this cessation order.		
<input type="checkbox"/> Condition, practice, or violation is creating an imminent danger to health or safety of the public.	<input type="checkbox"/> Permittee/Operator is/has been conducting mining activities without a Permit.	
<input type="checkbox"/> Condition, practice, or violation is causing or can reasonably be expected to cause significant, imminent environmental harm to land, air, or water resources.	<input checked="" type="checkbox"/> Permittee has failed to abate Violation included in Citation # MC-2010-61-01 within time for abatement originally fixed or subsequently extended.	
Abatement/corrective action(s) required (for all Citations):		Abatement Times (if applicable)
1. Properly permit and provide adequate surety for the site, or 2. Complete reclamation of the site.		
Permittee Representative (Print) Permittee Representative's Signature _____ Date _____		Peter Brinton DOG M Representative (Print)  DOG M Representative's Signature _____ Date 4/14/2011
SEE REVERSE SIDE Of This Form For Instructions And Additional Information		

EXHIBIT L



GARY R. HERBERT
Governor

GREGORY S. BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

April 14, 2011

CERTIFIED RETURN RECEIPT
7009 3410 0001 4203 1751

Bryce Haas
91 South 100 East
Mayfield UT 84643

Subject: Proposed Assessment for State Cessation Order No. MC-2010-61-01, Bryce Haas, B
& H Quarry, S/039/0020, Sanpete County, Utah

Response Due By: 30 Days of Receipt

Dear Mr. Haas:

The undersigned has been appointed by the Division of Oil, Gas & Mining as the assessment officer for assessing penalties under R647-7.

Enclosed is the proposed civil penalty assessment for the above referenced cessation order. The cessation order was issued by Division inspector, John Rogers, on May 3, 2010. Rule R647-7-103 et. seq. has been utilized to determine the proposed penalty of \$3,740.00. The enclosed worksheet outlines how the civil penalty was assessed.

By these rules, any written information which was submitted by you or your agent within fifteen (15) days of receipt of this Cessation Order has been considered in determining the facts surrounding the violation and the amount of this penalty.

Under R647-7-106, there are two informal appeal options available to you. You may appeal the 'fact of the violation', the proposed civil penalty, or both. If you wish to informally appeal you should file a written request for an informal conference within thirty 30 days of receipt of this letter.

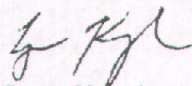
The informal conference will be conducted by a Division-appointed conference officer. The informal conference for the fact of the violation is distinct from the informal assessment conference regarding the proposed penalty. If you wish to review both the fact of the violation and proposed penalty assessment, you should file a written request for an assessment conference within thirty (30) days of receipt of this letter. In this case, the assessment conference will be scheduled immediately following the review of the fact of the violation.



Page 2 of 4
Bryce Hass
S/039/0020
April 18, 2011

If a timely request for review is not made, the fact of the violation will stand, the proposed penalty will become final, and will be due and payable within thirty (30) days of the date of this proposed assessment (by May 16, 2011). Please remit payment to the Division, mail c/o Vicki Bailey.

Sincerely,



Lynn Kunzler
Assessment Officer

LK:eb

Enclosure: Proposed assessment worksheet

cc: Vicki Bailey, Accounting

Vickie Southwick, Exec. Sec.

P:\GROUPS\MINERALS\WP\M039-Sanpete\S0390020-B & H Quarry (Haas)\final\ProAssess-04142011.doc

**WORKSHEET FOR ASSESSMENT OF PENALTIES
DIVISION OF OIL, GAS & MINING
Minerals Regulatory Program**

COMPANY / MINE Bryce Haas PERMIT S/039/0020
NOV / CO # MC-2010-61-01

ASSESSMENT OFFICER Lynn Kunzler ASSESSMENT DATE April 12, 2011

I. HISTORY (Max. 25 pts.) (R647-7-103.2.11)

- A. Are there previous violations, which are not pending or vacated, which fall three (3) years of today's date?

PREVIOUS VIOLATIONS	EFFECTIVE DATE	POINTS (1pt for NOV 5pts for CO)
---------------------	----------------	----------------------------------

<u>None</u>		
-------------	--	--

TOTAL HISTORY POINTS 0

II. SERIOUSNESS (Max 45pts) (R647-7-103.2.12)

NOTE: For assignment of points in Parts II and III, the following apply:

1. Based on facts supplied by the inspector, the Assessment Officer will determine within each category where the violation falls.
2. Beginning at the mid-point of the category, the Assessment Officer will adjust the points up or down, utilizing the inspector's and operator's statements as guiding documents.

Is this an EVENT (A) or Administrative (B) violation? Event
(assign points according to A or B)

A. EVENT VIOLATION (Max 45 pts.)

1. What is the event which the violated standard was designed to prevent?
Conducting mining operations without a permit. Damage to property. Damage to the environment.
2. What is the probability of the occurrence of the event which a violated standard was designed to prevent?

None	0 points
Unlikely	1-9 points
Likely	10-19 points
Occurred	20 points

ASSIGN PROBABILITY OF OCCURRENCE POINTS 20

PROVIDE AN EXPLANATION OF POINTS:

*** *The operator has been conducting mining operations without an approved NOI or having a surety in place. By rule, mining without the appropriate approvals, includes damage to property and the environment.*

3. What is the extent of actual or potential damage? RANGE 0-25
In assigning points, consider the duration and extent of said damage or impact, in terms of area and impact on the public or environment.

ASSIGN DAMAGE POINTS 19

PROVIDE AN EXPLANATION OF POINTS:

*** Approximately 7.5 acres have been affected by this operation. The operator has been operating a mining operation for about 2.5 years after the Division had notified him in writing that there was to be no additional mining operations until the site was properly permitted and bonded. Points were therefore assigned at the mid-point of the upper ½ of the range.

- B. ADMINISTRATIVE VIOLATIONS (Max 25pts)
Does not apply to this violation

TOTAL SERIOUSNESS POINTS 39

III. DEGREE OF FAULT (Max 30 pts.) (R647-7-103.2.13)

- A. Was this an inadvertent violation which was unavoidable by the exercise of reasonable care? IF SO--NO NEGLIGENCE; or, was this a failure of a permittee to prevent the occurrence of a violation due to indifference lack of diligence, or lack of reasonable care, the failure to abate any violation due to the same or was economic gain realized by the permittee? IF SO--GREATER DEGREE OF FAULT THAN NEGLIGENCE.

No Negligence	0
Negligence	1-15
Greater Degree of Fault	16-30

STATE DEGREE OF NEGLIGENCE Negligence

ASSIGN NEGLIGENCE POINTS 15

PROVIDE AN EXPLANATION OF POINTS:

*** The operator had received both written and verbal warnings regarding the need to have this site permitted and bonded in order to conduct operations. The operator also had 2 other quarries permitted with the Division. Conducting or continuing operations at this site demonstrates a high degree of negligence. Points were therefore assigned at the top of the negligence range.

IV. GOOD FAITH (Max 20 pts.) (R467-7-103.2.14)

This violation has yet to be abated. The site is still not fully permitted or bonded. Therefore, good faith points cannot be awarded at this time.

V. ASSESSMENT SUMMARY (R647-7-103.3)

NOTICE OF VIOLATION # _____	
I. TOTAL HISTORY POINTS	<u>0</u>
II. TOTAL SERIOUSNESS POINTS	<u>39</u>
III. TOTAL NEGLIGENCE POINTS	<u>15</u>
IV. TOTAL GOOD FAITH POINTS	<u>0</u>
TOTAL ASSESSED POINTS	<u>54</u>
 TOTAL ASSESSED FINE	 <u>\$3,740</u>

EXHIBIT M

UNITED STATES BANKRUPTCY COURT
District of Utah

Notice of Chapter 7 Bankruptcy Case, Meeting of Creditors, & Deadlines

A chapter 7 bankruptcy case concerning the debtor(s) listed below was filed on 8/5/11.

You may be a creditor of the debtor. This notice lists important deadlines. You may want to consult an attorney to protect your rights. All documents filed in the case may be inspected at the bankruptcy clerk's office at the address listed below. NOTE: The staff of the bankruptcy clerk's office cannot give legal advice.

See Reverse Side For Important Explanations

Debtor(s) (name(s) used by the debtor(s) in the last 8 years, including married, maiden, trade, and address):

Bryce H. Haas
PO Box 289
Gunnison, UT 84634

Carrie Haas
PO Box 289
Gunnison, UT 84634

Case Number:
11-31517 JTM

Social Security/Taxpayer ID/Employer ID/Other Nos.:
563-11-4642
529-94-8096

Attorney for Debtor(s) (name and address):

Franklin L. Slauch
880 East 9400 South
Suite 103
Sandy, UT 84094
Telephone number: (801) 572-4412

Bankruptcy Trustee (name and address):

J. Kevin Bird tr
Bird & Fugal
384 East 720 South
Suite 201
Orem, UT 84058
Telephone number: (801) 426-4700

Meeting of Creditors

Date: September 19, 2011

Time: 1:00 pm

Location: Provo City Library, Academy Square, 550 N. University Ave., Provo, UT 84601

Presumption of Abuse under 11 U.S.C. § 707(b)

See "Presumption of Abuse" on reverse side.

The presumption of abuse does not arise.

Deadlines:

Papers must be received by the bankruptcy clerk's office by the following deadlines:

Deadline to Object to Debtor's Discharge or to Challenge Dischargeability of Certain Debts: 11/18/11

Deadline to Object to Exemptions:

Thirty (30) days after the conclusion of the meeting of creditors.

Creditors May Not Take Certain Actions:

In most instances, the filing of the bankruptcy case automatically stays certain collection and other actions against the debtor and the debtor's property. Under certain circumstances, the stay may be limited to 30 days or not exist at all, although the debtor can request the court to extend or impose a stay. If you attempt to collect a debt or take other action in violation of the Bankruptcy Code, you may be penalized. Consult a lawyer to determine your rights in this case.

Please Do Not File a Proof of Claim Unless You Receive a Notice To Do So.

Foreign Creditors

A creditor to whom this notice is sent at a foreign address should read the information under "Do Not File a Proof of Claim at This Time" on the reverse side.

Address of the Bankruptcy Clerk's Office:

350 South Main #301
Salt Lake City, UT 84101
Telephone number: (801) 524-6687

For the Court:

Clerk of the Bankruptcy Court:
David A. Sime

Hours Open: 8:00 AM - 4:30 PM; Telephone 8:00 AM - 4:30 PM

Date: 8/10/11

Online Information

Case information is available at no charge on our Voice Case Information System (VCIS). Call 1-800-733-6740 or (801) 524-3107 with your touch-tone telephone. Case information is also available on the Internet using our PACER service for a \$.08/page fee. An account is required. Visit our homepage at www.utb.uscourts.gov for details.

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AUG 15 2011

DIV. OF OIL, GAS & MINING

EXPLANATIONS

FORM RAB9A (12/10)

Filing of Chapter 7 Bankruptcy Case	A bankruptcy case under Chapter 7 of the Bankruptcy Code (title 11, United States Code) has been filed in this court by or against the debtor(s) listed on the front side, and an order for relief has been entered.
Legal Advice/Note	The staff of the bankruptcy clerk's office cannot give legal advice. Consult a lawyer to determine your rights in this case. Important notice to individual debtor(s): All individual debtor(s) must provide picture identification and proof of social security number to the trustee at the meeting of creditors. Failure to do so may result in your case being dismissed.
Creditors Generally May Not Take Certain Actions	Prohibited collection actions are listed in Bankruptcy Code § 362. Common examples of prohibited actions include contacting the debtor by telephone, mail or otherwise to demand repayment; taking actions to collect money or obtain property from the debtor; repossessing the debtor's property; starting or continuing lawsuits or foreclosures; and garnishing or deducting from the debtor's wages. Under certain circumstances, the stay may be limited to 30 days or not exist at all, although the debtor can request the court to extend or impose a stay.
Presumption of Abuse	If the presumption of abuse arises, creditors may have the right to file a motion to dismiss the case under § 707(b) of the Bankruptcy Code. The debtor may rebut the presumption by showing special circumstances.
Meeting of Creditors	A meeting of creditors is scheduled for the date, time and location listed on the front side. <i>The debtor (both spouses in a joint case) must be present at the meeting to be questioned under oath by the trustee and by creditors.</i> Creditors are welcome to attend, but are not required to do so. The meeting may be continued and concluded at a later date without further notice.
Do Not File a Proof of Claim at This Time	There does not appear to be any property available to the trustee to pay creditors. <i>You therefore should not file a proof of claim at this time.</i> If it later appears that assets are available to pay creditors, you will be sent another notice telling you that you may file a proof of claim, and telling you the deadline for filing your proof of claim. If this notice is mailed to a creditor at a foreign address, the creditor may file a motion requesting the court to extend the deadline.
Discharge of Debts	The debtor is seeking a discharge of most debts, which may include your debt. A discharge means that you may never try to collect the debt from the debtor. If you believe that the debtor is not entitled to receive a discharge under Bankruptcy Code § 727(a) or that a debt owed to you is not dischargeable under Bankruptcy Code § 523(a)(2), (4), or (6), you must file a complaint — or a motion if you assert the discharge should be denied under § 727(a)(8) or (a)(9) — in the bankruptcy clerk's office by the "Deadline to Object to Debtor's Discharge or to Challenge the Dischargeability of Certain Debts" listed on the front of this form. The bankruptcy clerk's office must receive the complaint or motion and any required filing fee by that Deadline.
Exempt Property	The debtor is permitted by law to keep certain property as exempt. Exempt property will not be sold and distributed to creditors. The debtor must file a list of all property claimed as exempt. You may inspect that list at the bankruptcy clerk's office. If you believe that an exemption claimed by the debtor is not authorized by law, you may file an objection to that exemption. The bankruptcy clerk's office must receive the objections by the "Deadline to Object to Exemptions" listed on the front side.
Bankruptcy Clerk's Office	Any paper that you file in this bankruptcy case should be filed at the bankruptcy clerk's office at the address listed on the front side. You may inspect all papers filed, including the list of the debtor's property and debts and the list of the property claimed as exempt, at the bankruptcy clerk's office.
Foreign Creditors	Consult a lawyer familiar with United States bankruptcy law if you have any questions regarding your rights in this case.
Dismissal	This case may be dismissed unless a written objection to dismissal is filed by the debtor, a creditor or party in interest within 21 days after a creditors' meeting, if the debtor(s) or debtor's counsel fail to attend the creditors' meeting or fail to timely file required documents [Local Rules 1007-1, 2003-1(a)]. A hearing on the objection to dismissal must be set at the time the objection is filed and notice of the hearing must be sent to the trustee, all creditors and parties of interest, or the case shall be dismissed.
Appointment of Interim Trustee	The person designated as Bankruptcy Trustee on the front side of this form has been selected as Interim Trustee of the estate of the captioned debtor(s) and the trustee's previously-filed blanket bond is approved. Unless another trustee is elected at the meeting of creditors, the trustee shall serve without further appointment or qualification. The trustee is deemed to have accepted the appointment, unless the trustee notifies the Court and the U.S. Trustee in writing of any rejection within five days after receipt of notice of selection.
--- Refer to Other Side for Important Deadlines and Notices ---	

EXHIBIT N

United States Bankruptcy Court

District of Utah

Case No. 11-31517

Chapter 7

In re: Debtor(s) (name(s) used by the debtor(s) in the last 8 years, including married, maiden, trade, and address):

Bryce H. Haas
PO Box 289
Gunnison, UT 84634

Carrie Haas
PO Box 289
Gunnison, UT 84634

Social Security No.:
xxx-xx-4642

xxx-xx-8096

Employer's Tax I.D. No.:

Petition date: 8/5/11

DISCHARGE OF DEBTOR(S)

It appearing that the debtor(s) are entitled to a discharge,

IT IS ORDERED:

The debtor(s) are granted a discharge under section 727 of title 11, United States Code, (the Bankruptcy Code).

BY THE COURT

Dated: 11/22/11

Joel T. Marker
United States Bankruptcy Judge

SEE THE BACK OF THIS ORDER FOR IMPORTANT INFORMATION.

EXPLANATION OF BANKRUPTCY DISCHARGE IN A JOINT CHAPTER 7 CASE

This court order grants a discharge to the persons named as the debtors. It is not a dismissal of the case and it does not determine how much money, if any, the trustee will pay to creditors.

Collection of Discharged Debts Prohibited

The discharge prohibits any attempt to collect from the debtors a debt that has been discharged. For example, a creditor is not permitted to contact a debtor by mail, phone, or otherwise, to file or continue a lawsuit, to attach wages or other property, or to take any other action to collect a discharged debt from the debtors. A creditor who violates this order can be required to pay damages and attorney's fees to the debtor.

However, a creditor may have the right to enforce a valid lien, such as a mortgage or security interest, against the debtors' property after the bankruptcy, if that lien was not avoided or eliminated in the bankruptcy case. Also, a debtor may voluntarily pay any debt that has been discharged.

Debts That are Discharged

The chapter 7 discharge order eliminates a debtor's legal obligation to pay a debt that is discharged. Most, but not all, types of debts are discharged if the debt existed on the date the bankruptcy case was filed. (If this case was begun under a different chapter of the Bankruptcy Code and converted to chapter 7, the discharge applies to debts owed when the bankruptcy case was converted.)

Debts that are Not Discharged.

Some of the common types of debts which are not discharged in a chapter 7 bankruptcy case are:

- a. Debts for most taxes;
- b. Debts incurred to pay nondischargeable taxes (applies to cases filed on or after 10/17/2005);
- c. Debts that are domestic support obligations;
- d. Debts for most student loans;
- e. Debts for most fines, penalties, forfeitures, or criminal restitution obligations;
- f. Debts for personal injuries or death caused by the debtor's operation of a motor vehicle, vessel, or aircraft while intoxicated;
- g. Some debts which were not properly listed by the debtor;
- h. Debts that the bankruptcy court specifically has decided or will decide in this bankruptcy case are not discharged;
- i. Debts for which the debtor has given up the discharge protections by signing a reaffirmation agreement in compliance with the Bankruptcy Code requirements for reaffirmation of debts.
- j. Debts owed to certain pension, profit sharing, stock bonus, other retirement plans, or to the Thrift Savings Plan for federal employees for certain types of loans from these plans (applies to cases filed on or after 10/17/2005).

This information is only a general summary of the bankruptcy discharge. There are exceptions to these general rules. Because the law is complicated, you may want to consult an attorney to determine the exact effect of the discharge in this case.

RECEIVED

DEC 01 2011

Div. of Oil, Gas & Mining

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Attorneys for the Division of Oil, Gas and Mining

FILED

OCT 15 2013

SECRETARY, BOARD OF
OIL, GAS & MINING

**BEFORE THE BOARD OF OIL, GAS AND MINING
DEPARTMENT OF NATURAL RESOURCES
STATE OF UTAH**

In the Matter of the Petition by the
Division of Oil, Gas and Mining for an
Order:

- (1) Withdrawing Bryce H. Haas's
Notice of Intention to Commence
Small Mining Operations at the
B&H Quarry, S/039/0020, located
in portions of the east half of
Section 5, Township 20 South,
Range 2 East, SLBM, Sanpete
County, Utah;
- (2) Forfeiting Bryce H. Haas's surety
for the B&H Quarry;
- (3) Authorizing the Division to
complete reclamation at the B&H
Quarry; and
- (4) Granting such further relief as the
Board may deem just and
reasonable under the circumstances.

NOTICE OF AGENCY ACTION

Docket No.: 2013-038
Cause No.: S/039/0020

RELIEF SOUGHT

The Division of Oil, Gas and Mining ("Division"), through its attorneys, hereby petitions the Utah Board of Oil, Gas and Mining ("Board") for an Order: (1) withdrawing Bryce H. Haas's Notice of Intention to Commence Small Mining Operations at the B&H Quarry, S/039/0020, located in portions of the east half of Section 5, Township 20 South, Range 2 East, SLBM,

Sanpete County, Utah; (2) authorizing the Division to complete reclamation at the B&H Quarry; (3) forfeiting Bryce H. Haas's surety for the B&H Quarry; and (4) granting such further relief as the Board may deem just and reasonable under the circumstances.

JURISDICTION

1. This action is brought by the Division pursuant to its authority to enforce the provisions of the Utah Mined Land Reclamation Act ("Act"), Utah Code §§ 40-8-1 et seq.

2. Utah Code § 40-6-5 grants to the Board "jurisdiction over all persons and property necessary to enforce this chapter."

3. Utah Code § 40-8-6(2) confers jurisdiction over this matter to the Board and empowers the Board "to hold hearings and to issue orders" as may be necessary to enforce the provisions of the Act.

NOTICE REQUIREMENTS

4. The Board hearing will be held on December 4, 2013 at 9:00 a.m. in the auditorium of the Department of Natural Resources, 1594 West North Temple, Salt Lake City, Utah.

5. The Board hearing will be conducted formally according to the provisions of Utah Code §§ 63G-4-204 to 63G-4-209.

6. The Respondent or other persons with an interest in this matter may file a written response with the Board within 20 days of mailing of this Notice of Agency Action. Any party who fails to respond or to appear at said hearing may be held in default.

7. The name and addresses of all persons to whom Notice of Agency Action shall be given are attached as the Certificate of Service and by this reference incorporated herein.

STATEMENT OF FACTS

8. On September 3, 2007, Bryce H. Haas submitted to the Division a Notice of Intention to Commence Small Mining Operations ("2007 NOI"). See Exhibit A. The 2007 NOI incorrectly

indicated the mine was located in Section 32, Township 19 South, Range 2 East, SLBM, Sanpete County, Utah. *See Exhibit A at 4.* The mine was named "Mayfield Quarry." *See Exhibit A at 1.*

9. After submitting the 2007 NOI, but before receiving approval of it, Mr. Haas began mining and exploration activities at the Mayfield Quarry. Several acres were disturbed at the mine site.

10. On January 18, 2008, the Division sent a letter to Mr. Haas explaining that the 2007 NOI was incomplete due to several deficiencies. *See Exhibit B.* The letter from the Division further explained:

Reclamation surety is required to be posted by all mining and exploration operations. The surety amount determined for this site is \$20,700.00. . . . Since your exploration notice for this site has expired (exploration notices expire on November 30th, the year after the notice is submitted), there is to be no further mining or exploration activity at this site until a reclamation surety is provided. Continued operations may result in formal enforcement action being taken by the Division. Reclamation work only may continue until the Notice is complete and the surety approved.

See Exhibit B at 2 (emphasis in original).

11. Even though Mr. Haas was notified that the 2007 NOI was incomplete and that the exploration notice for the Mayfield Quarry had expired, he continued mining activities at the Mayfield Quarry before receiving an approved NOI or a permit from the Division. Mr. Haas made no attempt to reclaim the disturbed acreage at the mine site.

12. On or about December 21, 2009, the Division discovered that Mr. Haas had been conducting additional mining activities at the Mayfield Quarry without an approved NOI, without a permit, without a reclamation contract, and without posting a reclamation surety. The Division sent a certified letter to Mr. Haas informing him that he would need to reclaim the Mayfield Quarry by March 31, 2010 or submit a reclamation surety in the amount of \$20,700.00. *See Exhibit C.* Mr. Haas did not claim the letter, and the letter was returned to the Division. *See Exhibit D.*

13. On May 3, 2010, the Division issued a Cessation Order ("2010 CO")¹ to Mr. Haas for violating Utah Code 40-8-13 and Utah Admin. Code R647-3-101(1). *See* Exhibit E. The 2010 CO ordered Mr. Haas to cease all mining activities at the Mayfield Quarry. It also directed Mr. Haas to submit a completed NOI, provide a reclamation surety—now in the amount of \$25,000,² and execute a reclamation contract with the Division. In the alternative, Mr. Haas could complete reclamation of the site. Compliance was required by June 3, 2010. *See* Exhibit E.

14. On May 5, 2010, shortly after receiving the 2010 CO, Mr. Haas requested a Stop Work Conference to discuss the matter with the Division.

15. On May 12, 2010, a Stop Work Conference was held at the Mayfield Quarry in Sanpete County, Utah. *See* Exhibit F at 1. The Hearing Officer assigned for the Stop Work Conference was Dana Dean, Associate Director for the Division. *See* Exhibit F at 1. In attendance for the Division were Paul Baker (Minerals Program Manager) and John Rogers (Environmental Scientist). *See* Exhibit F at 1. Also in attendance were Mr. Haas and Mr. Bill Christiansen (landowner). *See* Exhibit F at 1.

16. At the hearing, Mr. Haas indicated that he did not have enough money to post a reclamation surety. *See* Exhibit F at 2. He explained that he would have to sell the product he already had extracted, and also mine and sell additional material in order to come up with the money. *See* Exhibit F at 2. In addition, Mr. Christiansen indicated that he wanted mining to continue on the property.³ *See* Exhibit F at 2.

17. On May 17, 2010, after considering the evidence presented at the Stop Work Conference, the Hearing Officer issued the Findings, Conclusions, and Order in the matter (the "Stop Work

¹ Citation No. MC-2010-61-01.

² Pursuant to Utah Admin. Code R647-3-111(6), the Division is authorized to determine and adjust bond amounts. From time to time, bond amounts will increase based on certain factors such as inflation and risk.

³ Mr. Christiansen also indicated that he wanted some of the equipment left on the property after reclamation, and wanted the road and pad area to remain after the conclusion of mining. *See* Exhibit F at 2.

Order”). *See* Exhibit F. The Hearing Officer upheld the 2010 CO, but made the following allowances: Mr. Haas could (1) “transport and sell any on-site product already packaged for sale[;]” and could (2) “package and transport any loose product.” *See* Exhibit F at 3 (emphasis in original). The Stop Work Order made clear that “Mr. Haas may not loosen any rock, and may not advance the face” except for a small corner area that could be squared up. *See* Exhibit F at 3.

18. The Stop Work Order declared that the CO would be fully terminated when either (1) reclamation surety of \$25,000.00 was posted along with a completed NOI and a signed reclamation contract; or (2) reclamation was complete at the site. *See* Exhibit F at 3. In the event Mr. Haas failed to fulfill one of these two requirements by June 3, 2010, he would be subject to a \$750 per day fine. *See* Exhibit F at 3.

19. On June 2, 2010—one day before compliance with the CO and Stop Work Order was due—Mr. Haas submitted to the Division a new Notice of Intention to Commence Small Mining Operations (“2010 NOI”). *See* Exhibit G. The 2010 NOI changed the name of the mine to the “B&H Quarry,” located in Section 32, Township 19 South, Range 2 East, Sanpete County, Utah.⁴ It listed the operator as Mr. Haas, a sole proprietor. *See* Exhibit G at 1, 4-5.

20. Also on June 2, 2010, Mr. Haas also executed a Small Mine Reclamation Contract and provided a \$10,000.00 check as a portion of the reclamation surety required for the project. *See* Exhibit H. The \$10,000.00 check was deposited with the Utah State Treasurer on June 8, 2010 for the benefit of the Division in an interest-bearing escrow account at Zion’s First National Bank, Account No. 8912020. *See* Exhibit I.

21. On June 28, 2010, the Division approved the 2010 NOI. *See* Exhibit G. On June 29, 2010, the Division issued a permit for the B&H Quarry under several conditions. *See* Exhibit J.

⁴ As the map attached to the Notice of Intention indicates, the mine is actually located in Section 5, Township 20 South, Range 2 East, SLBM, Sanpete County, Utah. This is the same mine site as the Mayfield Quarry indicated in the 2007 NOI.

Page two of the permit provided: "Since the \$10,000 surety bond was posted on June 2, 2010, you may mine the 'corner' and square up the face as described in the . . . Stop Work Order. *The mine may not advance any further until the full reclamation surety is posted. The reclamation of the previous disturbance must be completed immediately.*" See Exhibit J at 2 (emphasis added).

22. On April 14, 2011, the Division issued a Failure to Abate Cessation Order ("2011 FTACO")⁵ to Mr. Haas for failing to properly abate the 2010 CO. See Exhibit K. The 2011 FTACO ordered Mr. Haas to either (a) properly permit and provide adequate surety for the B&H Quarry; or (b) complete reclamation of the mine site.⁶ See Exhibit K.

23. Also on April 14, 2011, the Division issued a Proposed Assessment for the 2010 CO. See Exhibit L. The Assessment Officer, Lynn Kunzler, noted that ***"[a]pproximately 7.5 acres have been disturbed by this operation. The operator has been operating a mining operation for about 2.5 years after the Division had notified him in writing that there was to be no additional mining operations until the site was properly permitted and bonded."*** Exhibit L at 4 (emphasis in original). The Assessment Officer explained that Mr. Haas ***"had received both written and verbal warnings regarding the need to have this site permitted and bonded in order to conduct operations. The operator also had 2 other quarries permitted with the Division. Conducting or continuing operations at this site demonstrates a high degree of negligence."*** Exhibit L at 4 (emphasis in original). The Assessment Officer determined a penalty of \$3,740.00. See Exhibit L at 4.

24. The Assessment Officer advised Mr. Haas that he could request review of either the fact of the violation, the proposed penalty, or both, as long as a request for an informal conference was made within 30 days—by May 16, 2011. See Exhibit L at 1-2.

⁵ Citation No. MC-2011-65-01.

⁶ The FTACO did not provide an abatement deadline.

25. Mr. Haas did not request a formal or informal review of either the fact of the violation or the proposed penalty by May 16, 2011.

26. On August 15, 2011, the Division received notice that Mr. Haas filed for Chapter 7 Bankruptcy in the United States Bankruptcy Court for the District of Utah. *See* Exhibit M.

27. On December 1, 2011, the Division received notice that Mr. Haas had been granted a discharge in the bankruptcy proceedings. *See* Exhibit N.

COUNT I
(Withdraw Notice of Intention)

28. The Division hereby incorporates the allegations of paragraphs 1-27 hereof and further alleges as follows:

29. Utah Code § 40-8-16(2)(a) authorizes the Board to withdraw a NOI if “the operator substantially fails to perform reclamation[.]”

30. Utah Code § 40-8-16(2)(b) authorizes the Board to withdraw a NOI if “the operator fails to provide and maintain surety as may be required under this chapter.” *Accord* Utah Admin. Code R647-3-102 and R647-3-111.

31. As of this date, Mr. Haas has substantially failed to perform reclamation and has failed to provide and maintain adequate reclamation surety.

32. The Division ordered Mr. Haas to complete reclamation or provide adequate reclamation surety on five separate occasions: (1) the January 18, 2008 letter; (2) the 2010 CO issued May 3, 2010; (3) the Stop Work Order issued May 17, 2010; (4) the conditional permit issued June 28, 2010; and (5) the FTACO issued April 14, 2011.

33. Mr. Haas did not respond to the January 18, 2008 letter and did not post any reclamation surety. Rather, he simply continued mining.

34. After the Division issued the 2010 CO, Mr. Haas requested a Stop Work Conference. As

a result of that hearing, the Stop Work Order was issued which required either reclamation or the posting of a \$25,000.00 reclamation bond. Mr. Haas did not reclaim the site or post a \$25,000.000 reclamation bond. Rather, he submitted a partial bond of \$10,000.

35. On June 28, 2010, the Division issued a conditional permit and again requested that Mr. Haas complete reclamation of the disturbed acreage. The Division advised Mr. Haas that if he wished to mine further he would have to post a full \$25,000.00 reclamation surety.

36. By April 2011, Mr. Haas still had not reclaimed the site or posted full reclamation surety. Therefore, the Division issued the FTACO which demanded that Mr. Haas either reclaim the site immediately or post full reclamation surety. Mr. Haas did not respond to the FTACO, and filed bankruptcy later that year.

37. As of the date of this Notice of Agency Action, Mr. Haas has not reclaimed the site or posted a full reclamation surety of \$25,000.00.

38. Therefore, NOI S/039/0020 should be withdrawn.

COUNT II
(Forfeit Surety)

39. The Division hereby incorporates the allegations of paragraphs 1-38 hereof and further alleges as follows:

40. Utah Code Ann. § 40-8-14(6)(a) provides that “[i]f an operator of a mining operation fails or refuses to carry out the necessary land reclamation as outlined in the approved notice of intention, the board may, after notice and hearing, declare any surety filed for this purpose forfeited.” *Accord* Utah Admin. Code R647-3-112(3).

41. Mr. Haas has failed or refused to carry out the necessary land reclamation work as outlined in the 2010 NOI and conditional permit, despite repeated requests from the Division to reclaim the site.

42. Mr. Haas's inaction indicates that he no longer has the intent or resources to continue mining operations at the Mayfield/B&H Quarry or to honor his contractual and statutory obligations to reclaim the site.

43. Therefore, the Board should declare Mr. Haas's reclamation surety for the Mayfield/B&H Quarry forfeited to the Division, specifically the deposit totaling \$10,000.00, plus interest, held by the State of Utah for the benefit of the Division at Zion's First National Bank, Account No. 8912020.

COUNT III
(Authorize Division to Complete Reclamation)

44. The Division hereby incorporates the allegations of paragraphs 1-43 hereof and further alleges as follows:

45. Utah Admin. Code R647-3-112(1) provides that "[i]f the operator of a small mining operation fails or refuses to conduct reclamation as required by the complete notice of intention, and fails or refuses to comply with R647-3-107 [Operation Practices], R647-3-108 [Hole Plugging Requirements], or R647-3-109 [Reclamation Practices], the Board may, after notice and hearing, order that: (1) Reclamation be conducted by the Division"

46. Mr. Haas has failed or refused to conduct reclamation work as required by the 2010 NOI and conditional permit, despite repeated requests from the Division to reclaim the site.

47. Mr. Haas's inaction indicates that he no longer has the intent or resources to continue mining operations at the Mayfield/B&H Quarry or to honor his contractual and statutory obligations to reclaim the site.

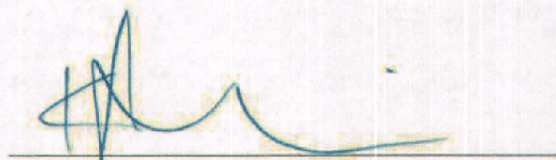
48. Therefore, the Board should authorize the Division to complete reclamation at the Mayfield/B&H Quarry.

PRAYER FOR RELIEF

WHEREFORE, the Division respectfully requests that the Board enter an Order:

- (1) Withdrawing Notice of Intention S/039/0020 due to the failure of Mr. Haas to either provide an increased reclamation surety or satisfactorily perform reclamation of the Mayfield/B&H Quarry;
- (2) Declaring Mr. Haas's reclamation surety for the Mayfield/B&H Quarry forfeited to the Division, specifically the deposit totaling \$10,000.00, plus interest, held by the State of Utah for the benefit of the Division at Zion's First National Bank, Account No. 8912020;
- (3) Authorizing the Division to complete reclamation work at the Mayfield/B&H Quarry; and
- (4) Granting such further relief as the Board may deem just and equitable under the circumstances.

Dated this 15 day of October 2013.



Kassidy J. Wallin (14360)
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Telephone: (801) 538-7227
Attorneys for the Division of Oil, Gas, and Mining

CERTIFICATE OF MAILING

I hereby certify that I caused a true and correct copy of the forgoing Notice of Agency Action to be personally served, mailed first class mail postage prepaid, or electronically mailed the 28th day of October 2013, to:

BRYCE HAAS

91 South 100 East
Mayfield, Utah 84643

BILL CHRISTIANSEN

P.O. Box 82
Mayfield, Utah 84643

MIKE JOHNSON

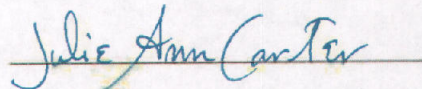
Assistant Attorney General
Department Of Natural Resources
Board of Oil, Gas & Mining
1594 West North Temple, Suite #300
Salt Lake City, Utah 84114

OFFICE OF THE STATE TREASURER

ATTN: Coleen Hackwell
E315 State Capitol Complex
P.O. Box 142315
Salt Lake City, Utah 84114-2315

ZION'S FIRST NATIONAL BANK

ATTN: Raelynn Daniels
One South Main Street
Salt Lake City, Utah 84133

A handwritten signature in blue ink, reading "Julie Ann Carter", is written over a horizontal line.